

CHAPTER 137

APPROPRIATIONS — HEALTH AND HUMAN SERVICES

S.F. 505

AN ACT relating to appropriations for health and human services and veterans and including other related provisions and appropriations, and including effective date and retroactive and other applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

DEPARTMENT ON AGING — FY 2015-2016

Section 1. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa’s aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	11,399,732
.....	FTEs	31.00

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$279,946 is transferred to the economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

3. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds by area agencies on aging that require compliance with both state and federal laws, rules, and regulations, including but not limited to all of the following:

(1) Requiring that expenditures are incurred only for goods or services received or performed prior to the end of the fiscal period designated for use of the funds.

(2) Prohibiting prepayment for goods or services not received or performed prior to the end of the fiscal period designated for use of the funds.

(3) Prohibiting the prepayment for goods or services not defined specifically by good or service, time period, or recipient.

(4) Prohibiting the establishment of accounts from which future goods or services which are not defined specifically by good or service, time period, or recipient, may be purchased.

b. The procedures shall provide that if any funds are expended in a manner that is not in compliance with the procedures and applicable federal and state laws, rules, and regulations, and are subsequently subject to repayment, the area agency on aging expending such funds in contravention of such procedures, laws, rules and regulations, not the state, shall be liable for such repayment.

4. Of the funds appropriated in this section, at least \$250,000 shall be used to fund the unmet needs identified through Iowa’s aging and disability resource center network.

5. Of the funds appropriated in this section, at least \$600,000 shall be used to fund home and community-based services through the area agencies on aging that enable older

individuals to avoid more costly utilization of residential or institutional services and remain in their own homes.

6. Of the funds appropriated in this section, \$813,666 shall be used for the purposes of chapter 231E and section 231.56A, of which \$288,666 shall be used for the office of substitute decision maker pursuant to chapter 231E, and the remainder shall be distributed equally to the area agencies on aging to administer the prevention of elder abuse, neglect, and exploitation program pursuant to section 231.56A, in accordance with the requirements of the federal Older Americans Act of 1965, 42 U.S.C. §3001 et seq., as amended.

DIVISION II
OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2015-2016

Sec. 2. OFFICE OF LONG-TERM CARE OMBUDSMAN.

1. There is appropriated from the general fund of the state to the office of long-term care ombudsman for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,276,783
.....	FTEs	17.00

2. Of the funds appropriated in this section, \$220,000 shall be used to provide additional local long-term care ombudsmen.

3. The office of long-term care ombudsman and the department of human services shall collaborate to develop a cost allocation plan requesting Medicaid administrative funding to provide for the claiming of federal financial participation for office of long-term care ombudsman activities that are performed to assist with administration of the Medicaid program. The cost allocation plan shall document the costs that directly benefit the Medicaid program and are consistent with federal requirements. The cost allocation plan shall be developed in a timely manner to allow for such claiming to begin by January 1, 2016.

DIVISION III
DEPARTMENT OF PUBLIC HEALTH — FY 2015-2016

Sec. 3. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of the use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

.....	\$	27,263,690
.....	FTEs	10.00

a. (1) Of the funds appropriated in this subsection, \$5,248,361 shall be used for the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A. The commission on tobacco use prevention and control established pursuant to section 142A.3 shall advise the director of public health in prioritizing funding needs and the allocation of moneys appropriated for the programs and initiatives. Activities of the programs and initiatives shall be in alignment with the United States centers for disease control and prevention best practices for comprehensive tobacco control programs that include the goals of preventing youth initiation of tobacco usage, reducing exposure to secondhand smoke, and promotion of tobacco cessation. To maximize resources, the department shall determine if third-party sources are available to instead provide nicotine replacement products to an applicant prior to provision of such products to an applicant under the initiative. The department shall track and report to the individuals specified in this Act, any reduction in the provision of nicotine replacement products realized by the initiative through implementation of the prerequisite screening.

(2) (a) Of the funds allocated in this paragraph “a”, \$453,067 is transferred to the alcoholic beverages division of the department of commerce for enforcement of tobacco laws, regulations, and ordinances and to engage in tobacco control activities approved by the division of tobacco use prevention and control of the department of public health as specified in the memorandum of understanding entered into between the divisions.

(b) For the fiscal year beginning July 1, 2015, and ending June 30, 2016, the terms of the memorandum of understanding, entered into between the division of tobacco use prevention and control of the department of public health and the alcoholic beverages division of the department of commerce, governing compliance checks conducted to ensure licensed retail tobacco outlet conformity with tobacco laws, regulations, and ordinances relating to persons under eighteen years of age, shall continue to restrict the number of such checks to one check per retail outlet, and one additional check for any retail outlet found to be in violation during the first check.

b. Of the funds appropriated in this subsection, \$22,015,329 shall be used for problem gambling and substance-related disorder prevention, treatment, and recovery services, including a 24-hour helpline, public information resources, professional training, and program evaluation.

(1) Of the funds allocated in this paragraph “b”, \$18,903,715 shall be used for substance-related disorder prevention and treatment.

(a) Of the funds allocated in this subparagraph (1), \$899,300 shall be used for the public purpose of a grant program to provide substance-related disorder prevention programming for children.

(i) Of the funds allocated in this subparagraph division (a), \$427,539 shall be used for grant funding for organizations that provide programming for children by utilizing mentors. Programs approved for such grants shall be certified or must be certified within six months of receiving the grant award by the Iowa commission on volunteer services as utilizing the standards for effective practice for mentoring programs.

(ii) Of the funds allocated in this subparagraph division (a), \$426,839 shall be used for grant funding for organizations providing programming that includes youth development and leadership services. The programs shall also be recognized as being programs that are scientifically based with evidence of their effectiveness in reducing substance-related disorders in children.

(iii) The department of public health shall utilize a request for proposals process to implement the grant program.

(iv) All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

(v) Of the funds allocated in this subparagraph division (a), up to \$44,922 may be used to administer substance-related disorder prevention grants and for program evaluations.

(b) Of the funds allocated in this subparagraph (1), \$272,603 shall be used for culturally competent substance-related disorder treatment pilot projects.

(i) The department shall utilize the amount allocated in this subparagraph division (b) for at least three pilot projects to provide culturally competent substance-related disorder treatment in various areas of the state. Each pilot project shall target a particular ethnic minority population. The populations targeted shall include but are not limited to African American, Asian, and Latino.

(ii) The pilot project requirements shall provide for documentation or other means to ensure access to the cultural competence approach used by a pilot project so that such approach can be replicated and improved upon in successor programs.

(2) Of the funds allocated in this paragraph “b”, up to \$3,111,614 may be used for problem gambling prevention, treatment, and recovery services.

(a) Of the funds allocated in this subparagraph (2), \$2,573,762 shall be used for problem gambling prevention and treatment.

(b) Of the funds allocated in this subparagraph (2), up to \$437,852 may be used for a 24-hour helpline, public information resources, professional training, and program evaluation.

(c) Of the funds allocated in this subparagraph (2), up to \$100,000 may be used for the licensing of problem gambling treatment programs.

(3) It is the intent of the general assembly that from the moneys allocated in this paragraph “b”, persons with a dual diagnosis of substance-related disorder and gambling addiction shall be given priority in treatment services.

c. Notwithstanding any provision of law to the contrary, to standardize the availability, delivery, cost of delivery, and accountability of problem gambling and substance-related disorder treatment services statewide, the department shall continue implementation of a process to create a system for delivery of treatment services in accordance with the requirements specified in 2008 Iowa Acts, chapter 1187, section 3, subsection 4. To ensure the system provides a continuum of treatment services that best meets the needs of Iowans, the problem gambling and substance-related disorder treatment services in any area may be provided either by a single agency or by separate agencies submitting a joint proposal.

(1) The system for delivery of substance-related disorder and problem gambling treatment shall include problem gambling prevention.

(2) The system for delivery of substance-related disorder and problem gambling treatment shall include substance-related disorder prevention by July 1, 2016.

(3) Of the funds allocated in paragraph “b”, the department may use up to \$100,000 for administrative costs to continue developing and implementing the process in accordance with this paragraph “c”.

d. The requirement of section 123.53, subsection 5, is met by the appropriations and allocations made in this division of this Act for purposes of substance-related disorder treatment and addictive disorders for the fiscal year beginning July 1, 2015.

e. The department of public health shall work with all other departments that fund substance-related disorder prevention and treatment services and all such departments shall, to the extent necessary, collectively meet the state maintenance of effort requirements for expenditures for substance-related disorder services as required under the federal substance-related disorder prevention and treatment block grant.

2. HEALTHY CHILDREN AND FAMILIES

For promoting the optimum health status for children, adolescents from birth through 21 years of age, and families, and for not more than the following full-time equivalent positions:

.....	\$	4,617,543
.....	FTEs	12.00

a. Of the funds appropriated in this subsection, not more than \$734,841 shall be used for the healthy opportunities for parents to experience success (HOPES)-healthy families Iowa (HFI) program established pursuant to section 135.106. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2015.

b. In order to implement the legislative intent stated in sections 135.106 and 256I.9, that priority for home visitation program funding be given to programs using evidence-based or promising models for home visitation, it is the intent of the general assembly to phase in the funding priority in accordance with 2012 Iowa Acts, chapter 1133, section 2, subsection 2, paragraph “0b”.

c. Of the funds appropriated in this subsection, \$2,198,828 shall be used for continuation of the department’s initiative to provide for adequate developmental surveillance and screening during a child’s first five years. The funds shall be used first to fully fund the current sites to ensure that the sites are fully operational, with the remaining funds to be used for expansion to additional sites. The full implementation and expansion shall include enhancing the scope of the program through collaboration with the child health specialty clinics to promote healthy child development through early identification and response to both biomedical and social determinants of healthy development; by monitoring child health metrics to inform practice, document long-term health impacts and savings, and provide for continuous improvement through training, education, and evaluation; and by providing for practitioner consultation particularly for children with behavioral conditions and needs. The department of public health shall also collaborate with the Iowa Medicaid enterprise and the child health specialty clinics to integrate the activities of the first five initiative into the establishment of patient-centered medical homes, community utilities, accountable care organizations, and other integrated care models developed to improve health quality and population health while reducing health care costs. To the maximum

extent possible, funding allocated in this paragraph shall be utilized as matching funds for medical assistance program reimbursement.

d. Of the funds appropriated in this subsection, \$74,640 shall be distributed to a statewide dental carrier to provide funds to continue the donated dental services program patterned after the projects developed by the lifeline network to provide dental services to indigent individuals who are elderly or with disabilities.

e. Of the funds appropriated in this subsection, \$111,995 shall be used for childhood obesity prevention.

f. Of the funds appropriated in this subsection, \$162,768 shall be used to provide audiological services and hearing aids for children. The department may enter into a contract to administer this paragraph.

g. Of the funds appropriated in this subsection, \$25,000 is transferred to the university of Iowa college of dentistry for provision of primary dental services to children. State funds shall be matched on a dollar-for-dollar basis. The university of Iowa college of dentistry shall coordinate efforts with the department of public health, bureau of oral and health delivery systems, to provide dental care to underserved populations throughout the state.

h. Of the funds appropriated in this subsection, \$50,000 shall be used to address youth suicide prevention.

i. Of the funds appropriated in this subsection, \$50,000 shall be used to support the Iowa effort to address the survey of children who experience adverse childhood experiences known as ACEs.

j. The department of public health shall continue to administer the program to assist parents in this state with costs resulting from the death of a child in accordance with the provisions of [2014 Iowa Acts, chapter 1140, section 22, subsection 12](#).

3. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

.....	\$	4,955,692
.....	FTEs	5.00

a. Of the funds appropriated in this subsection, \$159,932 shall be used for grants to individual patients who have an inherited metabolic disorder to assist with the costs of medically necessary foods and formula.

b. Of the funds appropriated in this subsection, \$891,644 shall be used for the brain injury services program pursuant to section 135.22B, including for continuation of the contracts for resource facilitator services in accordance with section 135.22B, subsection 9, and to enhance brain injury training and recruitment of service providers on a statewide basis. Of the amount allocated in this paragraph, \$95,000 shall be used to fund one full-time equivalent position to serve as the state brain injury services program manager.

c. Of the funds appropriated in this subsection, \$547,982 shall be used as additional funding to leverage federal funding through the federal Ryan White Care Act, Tit. II, AIDS drug assistance program supplemental drug treatment grants.

d. Of the funds appropriated in this subsection, \$149,823 shall be used for the public purpose of continuing to contract with an existing national-affiliated organization to provide education, client-centered programs, and client and family support for people living with epilepsy and their families. The amount allocated in this paragraph in excess of \$100,000 shall be matched dollar-for-dollar by the organization specified.

e. Of the funds appropriated in this subsection, \$785,114 shall be used for child health specialty clinics.

f. Of the funds appropriated in this subsection, \$400,000 shall be used by the regional autism assistance program established pursuant to section 256.35, and administered by the child health specialty clinic located at the university of Iowa hospitals and clinics. The funds shall be used to enhance interagency collaboration and coordination of educational, medical, and other human services for persons with autism, their families, and providers of services, including delivering regionalized services of care coordination, family navigation, and integration of services through the statewide system of regional child health specialty clinics and fulfilling other requirements as specified in chapter 225D. The university of Iowa

shall not receive funds allocated under this paragraph for indirect costs associated with the regional autism assistance program.

g. Of the funds appropriated in this subsection, \$570,993 shall be used for the comprehensive cancer control program to reduce the burden of cancer in Iowa through prevention, early detection, effective treatment, and ensuring quality of life. Of the funds allocated in this paragraph “g”, \$150,000 shall be used to support a melanoma research symposium, a melanoma biorepository and registry, basic and translational melanoma research, and clinical trials.

h. Of the funds appropriated in this subsection, \$126,450 shall be used for cervical and colon cancer screening, and \$300,000 shall be used to enhance the capacity of the cervical cancer screening program to include provision of recommended prevention and early detection measures to a broader range of low-income women.

i. Of the funds appropriated in this subsection, \$526,695 shall be used for the center for congenital and inherited disorders.

j. Of the funds appropriated in this subsection, \$129,411 shall be used for the prescription drug donation repository program created in chapter 135M.

k. Of the funds appropriated in this subsection, \$215,263 shall be used by the department of public health for reform-related activities, including but not limited to facilitation of communication to stakeholders at the state and local level, administering the patient-centered health advisory council pursuant to section 135.159, and involvement in health care system innovation activities occurring across the state.

l. Of the funds appropriated in this subsection, \$25,000 shall be used for administration of chapter 124D, the medical cannabidiol Act.

4. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

.....	\$	8,821,335
.....	FTEs	11.00

a. Of the funds appropriated in this subsection, \$99,414 is allocated for continuation of the child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with early childhood Iowa areas. The program shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph “a”. The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on service provided; and the continuing needs of the program.

b. Of the funds appropriated in this subsection, \$110,656 is allocated for continuation of an initiative implemented at the university of Iowa and \$99,904 is allocated for continuation of an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the department of public health, and the mental health and disability services commission to address the focus of the initiatives.

c. Of the funds appropriated in this subsection, \$1,164,628 shall be used for essential public health services that promote healthy aging throughout one’s lifespan, contracted through a formula for local boards of health, to enhance health promotion and disease prevention services.

d. Of the funds appropriated in this section, \$99,286 shall be deposited in the governmental public health system fund created in section 135A.8 to be used for the purposes of the fund.

e. Of the funds appropriated in this subsection, \$105,448 shall be used to continue to address the shortage of mental health professionals in the state.

f. Of the funds appropriated in this subsection, \$50,000 shall be used for a grant to a statewide association of psychologists that is affiliated with the American psychological association to be used for continuation of a program to rotate intern psychologists in placements in urban and rural mental health professional shortage areas, as defined in section 135.180.

g. (1) Of the funds appropriated in this subsection, \$2,882,969 shall be allocated as a grant to the Iowa primary care association to be used pursuant to section 135.153 for the statewide coordination of the Iowa collaborative safety net provider network. Coordination of the network shall focus on increasing access by underserved populations to health care services, increasing integration of the health system and collaboration across the continuum of care with a focus on safety net services, and enhancing the Iowa collaborative safety net provider network’s communication and education efforts. The amount allocated as a grant under this subparagraph (1) shall be used as follows to support the Iowa collaborative safety net provider network goals of increased access, health system integration, and engagement:

(a) For distribution to safety net partners in the state that work to increase access of the underserved population to health services:

..... \$ 1,025,485

(i) Of the amount allocated in this subparagraph division (a), not less than \$413,415 shall be distributed to the Iowa prescription drug corporation for continuation of the pharmaceutical infrastructure for safety net providers as described in [2007 Iowa Acts, chapter 218, section 108](#).

(ii) Of the amount allocated in this subparagraph division (a), not less than \$348,322 shall be distributed to free clinics and free clinics of Iowa for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care.

(iii) Of the amount allocated in this subparagraph division (a), not less than \$50,000 shall be distributed to the Iowa coalition against sexual assault to continue a training program for sexual assault response team (SART) members, including representatives of law enforcement, victim advocates, prosecutors, and certified medical personnel.

(iv) Of the amount allocated in this subparagraph division (a), not less than \$213,748 shall be distributed to the Polk county medical society for continuation of the safety net provider patient access to a specialty health care initiative as described in [2007 Iowa Acts, chapter 218, section 109](#).

**(b) For distribution to safety net partners in the state that work to increase health system integration, care coordination, and collaboration across the continuum of care with a focus on safety net services. Such efforts shall include but not be limited to community care coordination team development and integration of medical and behavioral health services. Efforts shall also include working, in conjunction with the department of human services and the department of public health, to support Medicaid managed care efforts inclusive of the state innovation model through the continued development and implementation of community care coordination teams. Implementation of the community care coordination teams shall be accomplished through a statewide regionally based network that provides an integrated approach to health care delivery through care coordination that supports primary care providers and links patients with community resources necessary to empower patients in addressing biomedical and social determinants of health to improve health outcomes:*

..... \$ 1,672,199*

(c) For distribution to safety net partners in the state that work to serve as a resource for credible, accurate information on health care-related needs and services for vulnerable populations in the state including the Iowa association of rural health clinics for necessary infrastructure and service delivery transformation and the Iowa primary care association to support partner engagement, program management, and statewide coordination of the network:

..... \$ 185,285

(2) The amount allocated under this paragraph “g” shall not be reduced for administrative or other costs prior to distribution. The Iowa collaborative safety net provider network may continue to distribute funds allocated pursuant to this paragraph “g” through existing contracts or renewal of existing contracts.

(3) For each goal of the Iowa collaborative safety net provider network, the Iowa primary care association shall submit a progress report to the individuals designated in this Act for submission of reports by December 15, 2015, including progress in developing

* Item veto; see message at end of the Act

and implementing the network, how the funds were distributed and used in developing and implementing the network, and the remaining needs identified to fully develop and implement the network.

h. Of the funds appropriated in this subsection, \$213,400 shall be used for continuation of the work of the direct care worker advisory council established pursuant to [2008 Iowa Acts, chapter 1188, section 69](#), in implementing the recommendations in the final report submitted by the advisory council to the governor and the general assembly in March 2012, including by continuing to develop, promote, and make available on a statewide basis the prepare-to-care core curriculum and its associated modules and specialties through various formats including online access, community colleges, and other venues; exploring new and maintaining existing specialties including but not limited to oral health and dementia care; supporting instructor training; and assessing and making recommendations concerning the Iowa care book and information technology systems and infrastructure uses and needs.

i. (1) Of the funds appropriated in this subsection, \$216,375 shall be used for allocation to an independent statewide direct care worker organization selected through a request for proposals process. The contract shall include performance and outcomes measures, and shall allow the contractor to use a portion of the funds received under the contract to collect data to determine results based on the performance and outcomes measures.

(2) Of the funds appropriated in this subsection, \$75,000 shall be used to provide scholarships or other forms of subsidization for direct care worker educational conferences, training, or outreach activities.

j. Of the funds appropriated in this subsection, the department may use up to \$58,175 for up to one full-time equivalent position to administer the volunteer health care provider program pursuant to section 135.24.

k. Of the funds appropriated in this subsection, \$100,000 shall be used for a matching dental education loan repayment program to be allocated to a dental nonprofit health service corporation to continue to develop the criteria and implement the loan repayment program.

l. Of the funds appropriated in this subsection, \$105,823 is transferred to the college student aid commission for deposit in the rural Iowa primary care trust fund created in section 261.113 to be used for the purposes of the fund.

m. Of the funds appropriated in this subsection, \$250,000 shall be used for the purposes of the Iowa donor registry as specified in section 142C.18.

n. Of the funds appropriated in this subsection, \$100,000 shall be used for continuation of a grant to a nationally affiliated volunteer eye organization that has an established program for children and adults and that is solely dedicated to preserving sight and preventing blindness through education, nationally certified vision screening and training, and community and patient service programs. The organization shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph “n”. The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on services provided; and the continuing needs of the program.

o. Of the funds appropriated in this subsection, \$2,000,000 shall be deposited in the medical residency training account created in section 135.175, subsection 5, paragraph “a”, and is appropriated from the account to the department of public health to be used for the purposes of the medical residency training state matching grants program as specified in section 135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.

p. Of the funds appropriated in this subsection, \$156,619 is allocated to the university of Iowa hospitals and clinics to implement a systematic and evidence-based practice collaborative care model to improve outcomes of mental health treatment in primary care settings in the state. Funds shall be used to establish the collaborative care model in several primary care practices in rural and urban areas throughout the state, to provide staffing to

administer the model, and to provide staff training and database management to track and manage patient outcomes.

5. HEALTHY AGING

To provide public health services that reduce risks and invest in promoting and protecting good health over the course of a lifetime with a priority given to older Iowans and vulnerable populations:

..... \$ 7,297,142

6. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

..... \$ 1,335,155

..... FTEs 4.00

7. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

..... \$ 4,339,191

..... FTEs 136.00

a. Of the funds appropriated in this subsection, not more than \$454,700 shall be credited to the emergency medical services fund created in section 135.25. Moneys in the emergency medical services fund are appropriated to the department to be used for the purposes of the fund.

b. Of the funds appropriated in this subsection, \$203,032 shall be used for sexual violence prevention programming through a statewide organization representing programs serving victims of sexual violence through the department’s sexual violence prevention program. The amount allocated in this paragraph “b” shall not be used to supplant funding administered for other sexual violence prevention or victims assistance programs.

c. Of the funds appropriated in this subsection, \$598,751 shall be used for the state poison control center. Pursuant to the directive under 2014 Iowa Acts, chapter 1140, section 102, the federal matching funds available to the state poison control center from the department of human services under the federal Children’s Health Insurance Program Reauthorization Act allotment shall be subject to the federal administrative cap rule of 10 percent applicable to funding provided under Tit. XXI of the federal Social Security Act and included within the department’s calculations of the cap.

d. Of the funds appropriated in this subsection, \$537,750 shall be used for childhood lead poisoning provisions.

8. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

..... \$ 855,072

..... FTEs 4.00

The university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section. The university of Iowa hospitals and clinics billings to the department shall be on at least a quarterly basis.

DIVISION IV
DEPARTMENT OF VETERANS AFFAIRS — FY 2015-2016

Sec. 4. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,200,546

..... FTEs 15.00

2. IOWA VETERANS HOME

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 7,594,996

a. The Iowa veterans home billings involving the department of human services shall be submitted to the department on at least a monthly basis.

b. If there is a change in the employer of employees providing services at the Iowa veterans home under a collective bargaining agreement, such employees and the agreement shall be continued by the successor employer as though there had not been a change in employer.

c. Within available resources and in conformance with associated state and federal program eligibility requirements, the Iowa veterans home may implement measures to provide financial assistance to or on behalf of veterans or their spouses who are participating in the community reentry program.

d. The Iowa veterans home expenditure report shall be submitted monthly to the legislative services agency.

3. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

..... \$ 2,500,000

Sec. 5. LIMITATION OF COUNTY COMMISSIONS OF VETERAN AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the standing appropriation in section 35A.16 for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the amount appropriated from the general fund of the state pursuant to that section for the following designated purposes shall not exceed the following amount:

For the county commissions of veteran affairs fund under section 35A.16:

..... \$ 990,000

DIVISION V
DEPARTMENT OF HUMAN SERVICES — FY 2015-2016

Sec. 6. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 5,136,995

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program and implementing family investment agreements in accordance with chapter 239B:

..... \$ 10,138,178

3. To be used for the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 2,898,980

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, unless such moneys are encumbered or obligated on or before September 30, 2016, the moneys shall revert.

4. For field operations:

..... \$ 31,296,232

5. For general administration:

* Item veto; see message at end of the Act

..... \$ 3,744,000

6. For state child care assistance:

..... \$ 35,047,110

a. Of the funds appropriated in this subsection, \$26,328,097 is transferred to the child care and development block grant appropriation made by the Eighty-sixth General Assembly, 2015 Session, for the federal fiscal year beginning October 1, 2015, and ending September 30, 2016. Of this amount, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.

b. Any funds appropriated in this subsection remaining unallocated shall be used for state child care assistance payments for families who are employed including but not limited to individuals enrolled in the family investment program.

7. For distribution to counties and regions through the property tax relief fund for mental health and disability services as provided in an appropriation made for this purpose:

..... \$ 4,894,052

8. For child and family services:

..... \$ 32,084,430

9. For child abuse prevention grants:

..... \$ 125,000

10. For pregnancy prevention grants on the condition that family planning services are funded:

..... \$ 1,930,067

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2015, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2015, if the programs are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in [1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2](#), including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.

11. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:

..... \$ 1,037,186

12. For the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system:

..... \$ 6,654,880

13. a. Notwithstanding any provision to the contrary, including but not limited to requirements in section 8.41 or provisions in 2014 or 2015 Iowa Acts regarding the receipt and appropriation of federal block grants, federal funds from the temporary assistance for needy families block grant received by the state and not otherwise appropriated in this section and remaining available for the fiscal year beginning July 1, 2015, are appropriated to the department of human services to the extent as may be necessary to be used in the following priority order: the family investment program, for state child care assistance program payments for families who are employed, and for the family investment program share of costs to develop and maintain a new, integrated eligibility determination system. The federal funds appropriated in this paragraph “a” shall be expended only after all other funds appropriated in subsection 1 for the assistance under the family investment program, in subsection 6 for child care assistance, or in subsection 12 for the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system, as applicable, have been expended. For the purposes of this subsection, the funds appropriated in subsection 6, paragraph “a”, for transfer to the child care and development block grant appropriation are considered fully expended when the full amount has been transferred.

b. The department shall, on a quarterly basis, advise the legislative services agency and department of management of the amount of funds appropriated in this subsection that was expended in the prior quarter.

14. Of the amounts appropriated in this section, \$12,962,008 for the fiscal year beginning July 1, 2015, is transferred to the appropriation of the federal social services block grant made to the department of human services for that fiscal year.

15. For continuation of the program providing categorical eligibility for the food assistance program as specified for the program in the section of this division of this 2015 Act relating to the family investment program account:

..... \$ 25,000

16. The department may transfer funds allocated in this section to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

Sec. 7. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2015, and ending June 30, 2016, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes.

3. The department may transfer funds allocated in subsection 4 to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the family investment program services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2015, and ending June 30, 2016, are allocated as follows:

a. To be retained by the department of human services to be used for coordinating with the department of human rights to more effectively serve participants in FIP and other shared clients and to meet federal reporting requirements under the federal temporary assistance for needy families block grant:

..... \$ 20,000

b. To the department of human rights for staffing, administration, and implementation of the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 6,192,834

(1) Of the funds allocated for the family development and self-sufficiency grant program in this paragraph "b", not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) The department of human rights may continue to implement the family development and self-sufficiency grant program statewide during fiscal year 2015-2016.

(3) The department of human rights may engage in activities to strengthen and improve family outcomes measures and data collection systems under the family development and self-sufficiency grant program.

c. For the diversion subaccount of the FIP account:

..... \$ 815,000

A portion of the moneys allocated for the subaccount may be used for field operations, salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program. To the extent moneys allocated in this paragraph "c" are not deemed by the department to be necessary to support diversion activities, such moneys may be used for other efforts intended to increase engagement by family investment program participants in work, education, or training activities.

d. For the food assistance employment and training program:

..... \$ 66,588

(1) The department shall apply the federal supplemental nutrition assistance program (SNAP) employment and training state plan in order to maximize to the fullest extent permitted by federal law the use of the 50 percent federal reimbursement provisions for the claiming of allowable federal reimbursement funds from the United States department of agriculture pursuant to the federal SNAP employment and training program for providing education, employment, and training services for eligible food assistance program participants, including but not limited to related dependent care and transportation expenses.

(2) The department shall continue the categorical federal food assistance program eligibility at 160 percent of the federal poverty level and continue to eliminate the asset test from eligibility requirements, consistent with federal food assistance program requirements. The department shall include as many food assistance households as is allowed by federal law. The eligibility provisions shall conform to all federal requirements including requirements addressing individuals who are incarcerated or otherwise ineligible.

e. For the JOBS program:

..... \$ 17,540,398

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation made in this division of this Act. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account, a portion may be used to increase recoveries, and a portion may be used to sustain cash flow in the child support payments account. If as a consequence of the appropriations and allocations made in this section the resulting amounts are insufficient to sustain cash assistance payments and meet federal maintenance of effort requirements, the department shall seek supplemental funding. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payments account.

6. The department may adopt emergency rules for the family investment, JOBS, food assistance, and medical assistance programs if necessary to comply with federal requirements.

Sec. 8. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 48,673,875

1. Of the funds appropriated in this section, \$7,402,220 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$3,313,854 is allocated for the family development and self-sufficiency grant program.

3. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2015, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

- a. For the family investment program.
- b. For child care assistance.
- c. For child and family services.
- d. For field operations.

e. For general administration.

f. For distribution to counties or regions through the property tax relief fund for mental health and disability services as provided in an appropriation for this purpose.

This subsection shall not be construed to prohibit the use of existing state transfer authority for other purposes. The department shall report any transfers made pursuant to this subsection to the legislative services agency.

4. Of the funds appropriated in this section, \$195,678 shall be used for continuation of a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state.

5. Of the funds appropriated in this section, \$60,000 shall be used for the continuation of an unfunded pilot project, as defined in 441 IAC 100.1, relating to parental obligations, in which the child support recovery unit participates, to support the efforts of a nonprofit organization committed to strengthening the community through youth development, healthy living, and social responsibility headquartered in a county with a population over 350,000. The funds allocated in this subsection shall be used by the recipient organization to develop a larger community effort, through public and private partnerships, to support a broad-based multi-county fatherhood initiative that promotes payment of child support obligations, improved family relationships, and full-time employment.

6. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and field operations as necessary to administer this section and the overall family investment program.

Sec. 9. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:	\$	14,663,373
.....	FTEs	464.00

1. The department shall expend up to \$24,329, including federal financial participation, for the fiscal year beginning July 1, 2015, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

2. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation sites and mediation services.

3. The appropriation made to the department for child support recovery may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for cash flow management purposes the department may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

4. With the exception of the funding amount specified, the requirements established under [2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c"](#), subparagraph (3), shall be applicable to parental obligation pilot projects for the fiscal year beginning July 1, 2015, and ending June 30, 2016. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects, the rules shall remain in effect until June 30, 2016.

Sec. 10. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE — FY 2015-2016. Any funds remaining in the health care trust fund created in section 453A.35A for the fiscal year beginning July 1, 2015, and ending June 30, 2016, are appropriated to the department of human services to supplement the medical assistance program appropriations

made in this division of this Act, for medical assistance reimbursement and associated costs, including program administration and costs associated with program implementation.

Sec. 11. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY 2015-2016. Any funds remaining in the Medicaid fraud fund created in section 249A.50 for the fiscal year beginning July 1, 2015, and ending June 30, 2016, are appropriated to the department of human services to supplement the medical assistance appropriations made in this division of this Act, for medical assistance reimbursement and associated costs, including program administration and costs associated with program implementation.

Sec. 12. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2015, except as otherwise expressly authorized by law, consistent with options under federal law and regulations, and contingent upon receipt of approval from the office of the governor of reimbursement for each abortion performed under the program:

..... \$ 1,303,191,564

1. Iowans support reducing the number of abortions performed in our state. Funds appropriated under this section shall not be used for abortions, unless otherwise authorized under this section.

2. The provisions of this section relating to abortions shall also apply to the Iowa health and wellness plan created pursuant to chapter 249N.

3. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409, subsection 6. Of the funds allocated in this subsection, not more than \$5,000 may be expended for administrative purposes.

4. Of the funds appropriated in this Act to the department of public health for addictive disorders, \$950,000 for the fiscal year beginning July 1, 2015, is transferred to the department of human services for an integrated substance-related disorder managed care system. The department shall not assume management of the substance-related disorder system in place of the managed care contractor unless such a change in approach is specifically authorized in law. The departments of human services and public health shall work together to maintain the level of mental health and substance-related disorder treatment services provided by the managed care contractor through the Iowa plan for behavioral health. Each department shall take the steps necessary to continue the federal waivers as necessary to maintain the level of services.

5. a. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnostic, and treatment program under the medical assistance program due to becoming 21 years of age who have been approved for additional assistance through the department’s exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy provisions.

b. Of the funds appropriated in this section, \$100,000 shall be used for participation in one or more pilot projects operated by a private provider to allow the individual or individuals to receive service in the community in accordance with principles established in *Olmstead v. L.C.*, 527 U.S. 581 (1999), for the purpose of providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnostic, and treatment program under the medical assistance program due to becoming 21 years of age who have been approved for additional assistance through the department’s exception to policy provisions, but who have health care needs in excess of the funding available through the exception to the policy provisions.

6. Of the funds appropriated in this section, up to \$3,050,082 may be transferred to the field operations or general administration appropriations in this division of this Act for operational costs associated with Part D of the federal Medicare Prescription Drug Improvement and Modernization Act of 2003, Pub. L. No. 108-173.

7. Of the funds appropriated in this section, up to \$442,100 may be transferred to the appropriation in this division of this Act for medical contracts to be used for clinical assessment services and prior authorization of services.

8. A portion of the funds appropriated in this section may be transferred to the appropriations in this division of this Act for general administration, medical contracts, the children’s health insurance program, or field operations to be used for the state match cost to comply with the payment error rate measurement (PERM) program for both the medical assistance and children’s health insurance programs as developed by the centers for Medicare and Medicaid services of the United States department of health and human services to comply with the federal Improper Payments Information Act of 2002, Pub. L. No. 107-300.

9. The department shall continue to implement the recommendations of the assuring better child health and development initiative II (ABCDII) clinical panel to the Iowa early and periodic screening, diagnostic, and treatment services healthy mental development collaborative board regarding changes to billing procedures, codes, and eligible service providers.

10. Of the funds appropriated in this section, a sufficient amount is allocated to supplement the incomes of residents of nursing facilities, intermediate care facilities for persons with mental illness, and intermediate care facilities for persons with an intellectual disability, with incomes of less than \$50 in the amount necessary for the residents to receive a personal needs allowance of \$50 per month pursuant to section 249A.30A.

11. Of the funds appropriated in this section, the following amounts are transferred to the appropriations made in this division of this Act for the state mental health institutes:

- a. Cherokee mental health institute \$ 9,098,425
- b. Independence mental health institute \$ 9,045,894

12. a. Of the funds appropriated in this section, \$4,083,878 is allocated for the state match for a disproportionate share hospital payment of \$9,089,424 to hospitals that meet both of the conditions specified in subparagraphs (1) and (2). In addition, the hospitals that meet the conditions specified shall either certify public expenditures or transfer to the medical assistance program an amount equal to provide the nonfederal share for a disproportionate share hospital payment of \$17,544,006. The hospitals that meet the conditions specified shall receive and retain 100 percent of the total disproportionate share hospital payment of \$26,633,430.

(1) The hospital qualifies for disproportionate share and graduate medical education payments.

(2) The hospital is an Iowa state-owned hospital with more than 500 beds and eight or more distinct residency specialty or subspecialty programs recognized by the American college of graduate medical education.

b. Distribution of the disproportionate share payments shall be made on a monthly basis. The total amount of disproportionate share payments including graduate medical education, enhanced disproportionate share, and Iowa state-owned teaching hospital payments shall not exceed the amount of the state’s allotment under Pub. L. No. 102-234. In addition, the total amount of all disproportionate share payments shall not exceed the hospital-specific disproportionate share limits under Pub. L. No. 103-66.

c. The university of Iowa hospitals and clinics shall either certify public expenditures or transfer to the appropriations made in this division of this Act for medical assistance an amount equal to provide the nonfederal share for increased medical assistance payments for inpatient and outpatient hospital services of \$9,900,000. The university of Iowa hospitals and clinics shall receive and retain 100 percent of the total increase in medical assistance payments.

d. Payment methodologies utilized for disproportionate share hospitals and graduate medical education, and other supplemental payments under the Medicaid program may be adjusted or converted to other methodologies or payment types to provide these payments

through Medicaid managed care implemented beginning¹ January 1, 2016. The department of human services shall obtain approval from the centers for Medicare and Medicaid services of the United States department of health and human services prior to implementation of any such adjusted or converted methodologies or payment types.

13. One hundred percent of the nonfederal share of payments to area education agencies that are medical assistance providers for medical assistance-covered services provided to medical assistance-covered children, shall be made from the appropriation made in this section.

14. Any new or renewed contract entered into by the department with a third party to administer services under the medical assistance program shall provide that any interest earned on payments from the state during the state fiscal year shall be remitted to the department and treated as recoveries to offset the costs of the medical assistance program.

15. A portion of the funds appropriated in this section may be transferred to the appropriation in this division of this Act for medical contracts to be used for administrative activities associated with the money follows the person demonstration project.

16. Of the funds appropriated in this section, \$349,011 shall be used for the administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes.

17. a. The department may increase the amounts allocated for salaries, support, maintenance, and miscellaneous purposes associated with the medical assistance program, as necessary, to implement cost containment strategies. The department shall report any such increase to the legislative services agency and the department of management.

b. If the savings to the medical assistance program from cost containment efforts exceed the cost for the fiscal year beginning July 1, 2015, the department may transfer any savings generated for the fiscal year due to medical assistance program cost containment efforts to the appropriation made in this division of this Act for medical contracts or general administration to defray the increased contract costs associated with implementing such efforts.

**c. The department of human services shall not implement the following cost containment measures as recommended by the governor for the fiscal year beginning July 1, 2015:*

(1) A measure to provide uniform rates of \$.575 per mile based on the 2015 Internal Revenue Service mileage rate and of \$9.29, the current statewide average, per one-way trip for Medicaid program home and community-based services waivers.

(2) A measure to accelerate implementation of the provision that beginning July 1, 2015, rather than July 1, 2016, the department of human services requires services through the consumer-directed attendant care option to be provided through an agency or consumer choices option.

*d. The department shall report the implementation of any cost containment strategies under this subsection to the individuals specified in this Act for submission of reports on a quarterly basis.**

18. For the fiscal year beginning July 1, 2015, and ending June 30, 2016, the replacement generation tax revenues required to be deposited in the property tax relief fund pursuant to section 437A.8, subsection 4, paragraph “d”, and section 437A.15, subsection 3, paragraph “f”, shall instead be credited to and supplement the appropriation made in this section and used for the allocations made in this section.

19. The department shall continue to administer the state balancing incentive payments program as specified in [2012 Iowa Acts, chapter 1133, section 14](#).

20. The department of human services shall execute the state innovation model phase II testing grant and shall submit a report to the individuals specified in this Act for submission of reports regarding the progress of the execution of the testing grant on or before September 1, 2015. The progress report shall include, at a minimum, dates by which contracts will be entered into with vendors, pre-implementation year and subsequent test year funds will be expended, and other activities will be completed.

21. a. Of the funds appropriated in this section, up to \$50,000 may be transferred by the department to the appropriation made in this division of this Act to the department for the

¹ See chapter 138, §22 herein

* Item veto; see message at end of the Act

same fiscal year for general administration to be used for associated administrative expenses and for not more than one full-time equivalent position, in addition to those authorized for the same fiscal year, to be assigned to implementing the project.

b. Of the funds appropriated in this section, up to \$400,000 may be transferred by the department to the appropriation made to the department in this division of this Act for the same fiscal year for Medicaid program-related general administration planning and implementation activities. The funds may be used for contracts or for personnel in addition to the amounts appropriated for and the positions authorized for general administration for the fiscal year.

c. Of the funds appropriated in this section, up to \$3,000,000 may be transferred by the department to the appropriations made in this division of this Act for the same fiscal year for general administration or medical contracts to be used to support the development and implementation of standardized assessment tools for persons with mental illness, an intellectual disability, a developmental disability, or a brain injury.

22. Of the funds appropriated in this section, \$250,000 shall be used for lodging expenses associated with care provided at the university of Iowa hospitals and clinics for patients with cancer whose travel distance is 30 miles or more and whose income is at or below 200 percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services. The department of human services shall establish the maximum number of overnight stays and the maximum rate reimbursed for overnight lodging, which may be based on the state employee rate established by the department of administrative services. The funds allocated in this subsection shall not be used as nonfederal share matching funds.

23. The department of human services shall adopt rules to provide for coverage of telehealth under the Medicaid program. The rules shall provide that in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided. Health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.

24. The department of human services may adopt emergency rules as necessary to implement the governor’s Medicaid modernization initiative beginning January 1, 2016.

25. The number of home and community-based services waiver slots available during the fiscal year beginning July 1, 2015, shall not be reduced below the number of such slots available on January 1, 2015.

26. The department of human services shall submit an application to the centers for Medicare and Medicaid services of the United States department of health and human services for a planning grant through the substance abuse and mental health services administration of the United States department of health and human services to participate in a two-year pilot project for certified community behavioral health clinics under the federal Protecting Access to Medicare Act of 2014, Pub. L. No. 113-93.

Sec. 13. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 19,613,964

1. The department of inspections and appeals shall provide all state matching funds for survey and certification activities performed by the department of inspections and appeals. The department of human services is solely responsible for distributing the federal matching funds for such activities.

2. Of the funds appropriated in this section, \$50,000 shall be used for continuation of home and community-based services waiver quality assurance programs, including the review and

* Item veto; see message at end of the Act

streamlining of processes and policies related to oversight and quality management to meet state and federal requirements.

3. Of the amount appropriated in this section, up to \$200,000 may be transferred to the appropriation for general administration in this division of this Act to be used for additional full-time equivalent positions in the development of key health initiatives such as cost containment, development and oversight of managed care programs, and development of health strategies targeted toward improved quality and reduced costs in the Medicaid program.

4. Of the funds appropriated in this section, \$1,000,000 shall be used for planning and development, in cooperation with the department of public health, of a phased-in program to provide a dental home for children.

5. Of the funds appropriated in this section, \$2,000,000 shall be used for the autism support program created in chapter 225D, with the exception of the following amounts of this allocation which shall be used as follows:

a. Of the funds allocated in this subsection, \$250,000 shall be deposited in the board-certified behavior analyst and board-certified assistant behavior analyst grants program fund created in section 135.181, as enacted in this Act, to be used for the purposes of the fund.

b. Of the funds allocated in this subsection, \$25,000 shall be used for the public purpose of continuation of a grant to a child welfare services provider headquartered in a county with a population between 205,000 and 215,000 in the latest certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming, and an Asperger’s syndrome program, to be used for support services for children with autism spectrum disorder and their families.

c. Of the funds allocated in this subsection, \$25,000 shall be used for the public purpose of continuing a grant to a hospital-based provider headquartered in a county with a population between 90,000 and 95,000 in the latest certified federal census that provides multiple services including but not limited to diagnostic, therapeutic, and behavioral services to individuals with autism spectrum disorder across one’s lifespan. The grant recipient shall utilize the funds to continue the pilot project to determine the necessary support services for children with autism spectrum disorder and their families to be included in the children’s disabilities services system. The grant recipient shall submit findings and recommendations based upon the results of the pilot project to the individuals specified in this division of this Act for submission of reports by December 31, 2015.

Sec. 14. STATE SUPPLEMENTARY ASSISTANCE.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

..... \$ 12,997,187

2. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

3. If during the fiscal year beginning July 1, 2015, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-through requirement specified in Tit. XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. §1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 15. CHILDREN’S HEALTH INSURANCE PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit. XXI of the federal Social Security Act, which creates the children’s health insurance program:

..... \$ 20,413,844

2. Of the funds appropriated in this section, \$42,800 is allocated for continuation of the contract for outreach with the department of public health.

Sec. 16. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 51,408,668

1. Of the funds appropriated in this section, \$43,689,241 shall be used for state child care assistance in accordance with section 237A.13.

2. Nothing in this section shall be construed or is intended as or shall imply a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, \$432,453 is allocated for the statewide grant program for child care resource and referral services under section 237A.26. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, \$936,974 is allocated for child care quality improvement initiatives including but not limited to the voluntary quality rating system in accordance with section 237A.30.

5. Of the funds appropriated in this section, \$6,350,000 shall be credited to the early childhood programs grants account in the early childhood Iowa fund created in section 256I.11. The moneys shall be distributed for funding of community-based early childhood programs targeted to children from birth through five years of age developed by early childhood Iowa areas in accordance with approved community plans as provided in section 256I.8.

6. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department’s service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

7. A portion of the state match for the federal child care and development block grant shall be provided as necessary to meet federal matching funds requirements through the state general fund appropriation made for child development grants and other programs for at-risk children in section 279.51.

8. If a uniform reduction ordered by the governor under section 8.31 or other operation of law, transfer, or federal funding reduction reduces the appropriation made in this section for the fiscal year, the percentage reduction in the amount paid out to or on behalf of the families participating in the state child care assistance program shall be equal to or less than the percentage reduction made for any other purpose payable from the appropriation

made in this section and the federal funding relating to it. The percentage reduction to the other allocations made in this section shall be the same as the uniform reduction ordered by the governor or the percentage change of the federal funding reduction, as applicable. If there is an unanticipated increase in federal funding provided for state child care assistance, the entire amount of the increase shall be used for state child care assistance payments. If the appropriations made for purposes of the state child care assistance program for the fiscal year are determined to be insufficient, it is the intent of the general assembly to appropriate sufficient funding for the fiscal year in order to avoid establishment of waiting list requirements.

9. Notwithstanding section 8.33, moneys advanced for purposes of the programs developed by early childhood Iowa areas, advanced for purposes of wraparound child care, or received from the federal appropriations made for the purposes of this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 17. JUVENILE INSTITUTION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the state training school at Eldora and for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	12,233,420
.....	FTEs	169.30

a. Of the funds appropriated in this subsection, \$91,150 shall be used for distribution to licensed classroom teachers at this and other institutions under the control of the department of human services based upon the average student yearly enrollment at each institution as determined by the department.

b. The department of human services shall work with the department of public health to identify substance abuse treatment programs and resources licensed under chapter 125 to provide appropriate treatment for juveniles with substance-related disorders at the state training school at Eldora.

2. A portion of the moneys appropriated in this section shall be used by the state training school at Eldora for grants for adolescent pregnancy prevention activities at the institution in the fiscal year beginning July 1, 2015.

Sec. 18. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

.....	\$	85,341,938
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2. Up to \$5,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of juvenile delinquent graduated sanction services.

3. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program, state child care assistance program, or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

4. a. Of the funds appropriated in this section, up to \$35,821,786 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and services. If the department projects that such expenditures for the fiscal year will be less than the target amount allocated in this paragraph "a", the department may reallocate the

excess to provide additional funding for shelter care or the child welfare emergency services addressed with the allocation for shelter care.

b. If at any time after September 30, 2015, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

5. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative during fiscal year 2015-2016. Of the funds appropriated in this section, \$1,717,753 is allocated specifically for expenditure for fiscal year 2015-2016 through the decategorization services funding pools and governance boards established pursuant to section 232.188.

6. A portion of the funds appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project or successor project to stay together or to be reunified.

7. Notwithstanding section 234.35 or any other provision of law to the contrary, state funding for shelter care and the child welfare emergency services contracting implemented to provide for or prevent the need for shelter care shall be limited to \$8,068,474.

8. Federal funds received by the state during the fiscal year beginning July 1, 2015, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

9. a. Of the funds appropriated in this section, up to \$3,290,000 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this paragraph "a", up to \$1,556,287 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

b. Of the funds appropriated in this section, up to \$748,985 is allocated for the payment of the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to section 232.141, subsection 4.

c. Notwithstanding section 232.141 or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department of human services' division of child and family services. The state court administrator and the division administrator shall make the determination of the distribution amounts on or before June 15, 2015.

d. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court or departmental service area distribution amounts to pay for the service. The chief juvenile court officer and the departmental service area manager shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers and departmental service area managers shall attempt to anticipate potential surpluses

and shortfalls in the distribution amounts and shall cooperatively request the state court administrator or division administrator to transfer funds between the judicial districts' or departmental service areas' distribution amounts as prudent.

e. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

f. Of the funds allocated in this subsection, not more than \$83,000 may be used by the judicial branch for administration of the requirements under this subsection.

g. Of the funds allocated in this subsection, \$17,000 shall be used by the department of human services to support the interstate commission for juveniles in accordance with the interstate compact for juveniles as provided in section 232.173.

10. Of the funds appropriated in this section, \$8,053,227 is allocated for juvenile delinquent graduated sanctions services. Any state funds saved as a result of efforts by juvenile court services to earn a federal Tit. IV-E match for juvenile court services administration may be used for the juvenile delinquent graduated sanctions services.

11. Of the funds appropriated in this section, \$1,608,285 is transferred to the department of public health to be used for the child protection center grant program for child protection centers located in Iowa in accordance with section 135.118. The grant amounts under the program shall be equalized so that each center receives a uniform base amount of \$245,000, and the remaining funds shall be awarded through a funding formula based upon the volume of children served.

12. If the department receives federal approval to implement a waiver under Tit. IV-E of the federal Social Security Act to enable providers to serve children who remain in the children's families and communities, for purposes of eligibility under the medical assistance program through 25 years of age, children who participate in the waiver shall be considered to be placed in foster care.

13. Of the funds appropriated in this section, \$4,025,167 is allocated for the preparation for adult living program pursuant to section 234.46.

14. Of the funds appropriated in this section, \$227,337 shall be used for the public purpose of continuing a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments, and referrals for victims of child abuse and their nonoffending family members.

15. Of the funds appropriated in this section, \$300,620 is allocated for the foster care youth council approach of providing a support network to children placed in foster care.

16. Of the funds appropriated in this section, \$202,000 is allocated for use pursuant to section 235A.1 for continuation of the initiative to address child sexual abuse implemented pursuant to [2007 Iowa Acts, chapter 218, section 18, subsection 21](#).

17. Of the funds appropriated in this section, \$630,240 is allocated for the community partnership for child protection sites.

18. Of the funds appropriated in this section, \$371,250 is allocated for the department's minority youth and family projects under the redesign of the child welfare system.

19. Of the funds appropriated in this section, \$1,186,595 is allocated for funding of the community circle of care collaboration for children and youth in northeast Iowa.

20. Of the funds appropriated in this section, at least \$147,158 shall be used for the continuation of the child welfare provider training academy, a collaboration between the coalition for family and children's services in Iowa and the department.

21. Of the funds appropriated in this section, \$211,872 shall be used for continuation of the central Iowa system of care program grant through June 30, 2016.

22. Of the funds appropriated in this section, \$235,000 shall be used for the public purpose of the continuation and expansion of a system of care program grant implemented in Cerro Gordo and Linn counties to utilize a comprehensive and long-term approach for helping children and families by addressing the key areas in a child's life of childhood basic needs, education and work, family, and community.

23. Of the funds appropriated in this section, at least \$25,000 shall be used to continue and to expand the foster care respite pilot program in which postsecondary students in social work

and other human services-related programs receive experience by assisting family foster care providers with respite and other support.

24. Of the funds appropriated in this section, \$110,000 shall be used for the public purpose of funding community-based services and other supports with a system of care approach for children with a serious emotional disturbance and their families through a nonprofit provider of child welfare services that has been in existence for more than 115 years, is located in a county with a population of more than 200,000 but less than 220,000 according to the latest census information issued by the United States census bureau, is licensed as a psychiatric medical institution for children, and was a system of care grantee prior to July 1, 2015.

Sec. 19. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:

..... \$ 42,998,286

2. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for general administration for costs paid from the appropriation relating to adoption subsidy.

3. Federal funds received by the state during the fiscal year beginning July 1, 2015, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 20. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2015, and ending June 30, 2016, are appropriated to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, for distribution of an amount equal to a percentage of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2014. Moneys appropriated for distribution in accordance with this section shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2014. The percentage figure shall be determined by the department based on the amount available for distribution for the fund. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2015, shall be limited to the amount appropriated for the purposes of this section.

Sec. 21. FAMILY SUPPORT SUBSIDY PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program subject to the enrollment restrictions in section 225C.37, subsection 3:

..... \$ 1,073,932

2. The department shall use at least \$641,500 of the moneys appropriated in this section for the family support center component of the comprehensive family support program under section 225C.47. Not more than \$25,000 of the amount allocated in this subsection shall be used for administrative costs.

3. If at any time during the fiscal year, the amount of funding available for the family support subsidy program is reduced from the amount initially used to establish the figure for the number of family members for whom a subsidy is to be provided at any one time

during the fiscal year, notwithstanding section 225C.38, subsection 2, the department shall revise the figure as necessary to conform to the amount of funding available.

Sec. 22. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

..... \$ 33,632

Sec. 23. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, to be used for the purposes designated, which amounts shall not be transferred or expended for any purpose other than the purposes designated, notwithstanding section 218.6 to the contrary:

1. For operation of the state mental health institute at Cherokee as required by chapters 218 and 226 for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 5,545,616
..... FTEs 169.20

2. For operation of the state mental health institute at Independence as required by chapters 218 and 226 for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 10,324,209
..... FTEs 233.00

*3. For operation of the state mental health institute at Mount Pleasant as required by chapters 218 and 226, for purposes of providing adult psychiatric services including inpatient acute care, inpatient substance abuse treatment, and inpatient dual diagnosis substance use disorder and mental illness treatment, at the same level of care and treatment as provided on July 1, 2014, for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,424,880
..... FTEs 97.68*

Sec. 24. STATE RESOURCE CENTERS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 21,524,482

b. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 14,583,806

2. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of intermediate care facilities for persons with an intellectual disability services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

3. The state resource centers may expand the time-limited assessment and respite services during the fiscal year.

4. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such

* Item veto; see message at end of the Act

costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center’s superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

5. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and begin implementing the service or addressing the special need during fiscal year 2015-2016.

Sec. 25. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	9,893,079
.....	FTEs	132.50

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 26. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	58,920,976
.....	FTEs	1,837.00

1. As a condition of this appropriation, the department shall make every possible effort to fill the entire number of positions authorized by this section and, unless specifically provided otherwise by an applicable collective bargaining agreement, the department is not subject to any approval requirement external to the department to fill a field operations vacancy within the number of full-time equivalent positions authorized by this section. The department shall report on the first of each month to the chairpersons and ranking members of the appropriations committees of the senate and house of representatives, and the persons designated by this Act for submission of reports concerning the status of filling the positions.

2. Priority in filling full-time equivalent positions shall be given to those positions related to child protection services and eligibility determination for low-income families.

* Item veto; see message at end of the Act

Sec. 27. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	14,898,198
.....	FTEs	309.00

1. Of the funds appropriated in this section, \$25,000 is allocated for the prevention of disabilities policy council created in section 225B.3.

*2. *The department shall report at least monthly to the legislative services agency concerning the department’s operational and program expenditures.**

3. Of the funds appropriated in this section, \$150,000 shall be used to continue the contract for the provision of a program to provide technical assistance, support, and consultation to providers of habilitation services and home and community-based services waiver services for adults with disabilities under the medical assistance program.

4. Of the funds appropriated in this section, \$50,000 is transferred to the Iowa finance authority to be used for administrative support of the council on homelessness established in section 16.2D and for the council to fulfill its duties in addressing and reducing homelessness in the state.

5. Of the funds appropriated in this section, \$250,000 shall be transferred to and deposited in the administrative fund of the Iowa ABLE savings plan trust created in section 12I.4, if enacted in this Act, to be used for implementation and administration activities of the Iowa ABLE savings plan trust. Such activities may include the funding of a program manager position, the issuance of a request for proposals, and creation of an informational internet site, but shall not include funding for marketing. The appropriation made in this section is deemed to meet the requirement in the section of the division of this Act, if enacted, relating to contingent implementation of chapter 12I.

Sec. 28. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:

.....	\$	84,686
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Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. (1) For the fiscal year beginning July 1, 2015, the total state funding amount for the nursing facility budget shall not exceed \$151,421,158.

(2) For the fiscal year beginning July 1, 2015, the department shall rebase case-mix nursing facility rates effective July 1, 2015. However, total nursing facility budget expenditures, including both case-mix and noncase-mix, shall not exceed the amount specified in subparagraph (1). When calculating case-mix per diem cost and the patient-day-weighted medians used in rate-setting for nursing facilities effective July 1, 2015, the inflation factor applied from the midpoint of the cost report period to the first day of the state fiscal year rate period shall be adjusted to maintain state funding within the amount specified in subparagraph (1).

(3) The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount for the fiscal year. Notwithstanding [2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph “c”](#), and [subsection 3, paragraph “a”, subparagraph](#)

* Item veto; see message at end of the Act

(2), if the state funding expenditures for the nursing facility budget for the fiscal year are projected to exceed the amount specified in subparagraph (1), the department shall adjust the reimbursement for nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount for the fiscal year.

(4) For the fiscal year beginning July 1, 2015, special population nursing facilities shall be reimbursed in accordance with the methodology in effect on June 30, 2015.

(5) For any open or unsettled nursing facility cost report for a fiscal year prior to and including the fiscal year beginning July 1, 2014, including any cost report remanded on judicial review for inclusion of prescription drug, laboratory, or x-ray costs, the department shall offset all reported prescription drug, laboratory, and x-ray costs with any revenue received from Medicare or other revenue source for any purpose. For purposes of this subparagraph, a nursing facility cost report is not considered open or unsettled if the facility did not initiate an administrative appeal under chapter 17A or if any appeal rights initiated have been exhausted.

b. (1) For the fiscal year beginning July 1, 2015, the department shall establish the pharmacy dispensing fee reimbursement at \$11.73 per prescription as determined by the June 2014 cost of dispensing fee survey.

(2) The department shall utilize an average acquisition cost reimbursement methodology for all drugs covered under the medical assistance program in accordance with [2012 Iowa Acts, chapter 1133, section 33](#).

(3) Notwithstanding subparagraph (2), if the centers for Medicare and Medicaid services of the United States department of health and human services (CMS) requires, as a condition of federal Medicaid funding, that the department implement an aggregate federal upper limit (FUL) for drug reimbursement based on the average manufacturer's price (AMP), the department may utilize a reimbursement methodology for all drugs covered under the Medicaid program based on the national average drug acquisition cost (NADAC) methodology published by CMS, in order to assure compliance with the aggregate FUL, minimize outcomes of drug reimbursements below pharmacy acquisition costs, limit administrative costs, and minimize any change in the aggregate reimbursement for drugs. The department may adopt emergency rules to implement this subparagraph.

c. (1) For the fiscal year beginning July 1, 2015, reimbursement rates for outpatient hospital services shall remain at the rates in effect on June 30, 2015, subject to Medicaid program upper payment limit rules, and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(2) For the fiscal year beginning July 1, 2015, reimbursement rates for inpatient hospital services shall be rebased effective October 1, 2015, subject to Medicaid program upper payment limit rules, and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(3) For the fiscal year beginning July 1, 2015, the graduate medical education and disproportionate share hospital fund shall remain at the amount in effect on June 30, 2015, except that the portion of the fund attributable to graduate medical education shall be reduced in an amount that reflects the elimination of graduate medical education payments made to out-of-state hospitals.

(4) In order to ensure the efficient use of limited state funds in procuring health care services for low-income Iowans, funds appropriated in this Act for hospital services shall not be used for activities which would be excluded from a determination of reasonable costs under the federal Medicare program pursuant to 42 U.S.C. §1395x(v)(1)(N).

d. For the fiscal year beginning July 1, 2015, reimbursement rates for rural health clinics, hospices, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. For the fiscal year beginning July 1, 2015, independent laboratories and rehabilitation agencies shall be reimbursed using the same methodology in effect on June 30, 2015.

f. (1) For the fiscal year beginning July 1, 2015, reimbursement rates for home health agencies shall continue to be based on the Medicare low utilization payment adjustment (LUPA) methodology with state geographic wage adjustments, and updated to reflect the most recent Medicare LUPA rates.

(2) For the fiscal year beginning July 1, 2015, rates for private duty nursing and personal care services under the early and periodic screening, diagnostic, and treatment program benefit shall be calculated based on the methodology in effect on June 30, 2015.

g. For the fiscal year beginning July 1, 2015, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

h. For the fiscal year beginning July 1, 2015, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2015.

i. (1) For the fiscal year beginning July 1, 2015, state-owned psychiatric medical institutions for children shall receive cost-based reimbursement for 100 percent of the actual and allowable costs for the provision of services to recipients of medical assistance.

(2) For the nonstate-owned psychiatric medical institutions for children, reimbursement rates shall be based on the reimbursement methodology developed by the Medicaid managed care contractor for behavioral health services as required for federal compliance.

(3) As a condition of participation in the medical assistance program, enrolled providers shall accept the medical assistance reimbursement rate for any covered goods or services provided to recipients of medical assistance who are children under the custody of a psychiatric medical institution for children.

j. For the fiscal year beginning July 1, 2015, unless otherwise specified in this Act, all noninstitutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2015, except for area education agencies, local education agencies, infant and toddler services providers, home and community-based services providers including consumer-directed attendant care providers under a section 1915(c) or 1915(i) waiver, targeted case management providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding any provision to the contrary, for the fiscal year beginning July 1, 2015, the reimbursement rate for anesthesiologists shall remain at the rate in effect on June 30, 2015.

l. Notwithstanding section 249A.20, for the fiscal year beginning July 1, 2015, the average reimbursement rate for health care providers eligible for use of the federal Medicare resource-based relative value scale reimbursement methodology under section 249A.20 shall remain at the rate in effect on June 30, 2015; however, this rate shall not exceed the maximum level authorized by the federal government.

m. For the fiscal year beginning July 1, 2015, the reimbursement rate for residential care facilities shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement. The flat reimbursement rate for facilities electing not to file annual cost reports shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

n. For the fiscal year beginning July 1, 2015, the reimbursement rates for inpatient mental health services provided at hospitals shall be rebased effective October 1, 2015, subject to Medicaid program upper payment limit rules, and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year; and psychiatrists shall be reimbursed at the medical assistance program fee-for-service rate in effect on June 30, 2015.

o. For the fiscal year beginning July 1, 2015, community mental health centers may choose to be reimbursed for the services provided to recipients of medical assistance through either of the following options:

(1) For 100 percent of the reasonable costs of the services.

(2) In accordance with the alternative reimbursement rate methodology established by the medical assistance program's managed care contractor for mental health services and approved by the department of human services.

p. For the fiscal year beginning July 1, 2015, the reimbursement rate for providers of family planning services that are eligible to receive a 90 percent federal match shall remain at the rates in effect on June 30, 2015.

q. For the fiscal year beginning July 1, 2015, the upper limits on reimbursement rates for providers of home and community-based services waiver services shall be increased to the extent possible within the \$1 million of state funding appropriated for this purpose.

r. For the fiscal year beginning July 1, 2015, the reimbursement rates for emergency medical service providers shall remain at the rates in effect on June 30, 2015.

s. For the fiscal year beginning July 1, 2015, reimbursement rates for substance-related disorder treatment programs licensed under section 125.13 shall be increased by 3 percent over the rates in effect on June 30, 2015.

2. For the fiscal year beginning July 1, 2015, the reimbursement rate for providers reimbursed under the in-home-related care program shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

3. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2002.

4. For the fiscal year beginning July 1, 2015, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$16.78, the rate for children ages 6 through 11 years shall be \$17.45, the rate for children ages 12 through 15 years shall be \$19.10, and the rate for children and young adults ages 16 and older shall be \$19.35. For youth ages 18 to 21 who have exited foster care, the preparation for adult living program maintenance rate shall be \$602.70 per month. The maximum payment for adoption subsidy nonrecurring expenses shall be limited to \$500 and the disallowance of additional amounts for court costs and other related legal expenses implemented pursuant to [2010 Iowa Acts, chapter 1031, section 408](#), shall be continued.

5. For the fiscal year beginning July 1, 2015, the maximum reimbursement rates for social services providers under contract shall remain at the rates in effect on June 30, 2015, or the provider's actual and allowable cost plus inflation for each service, whichever is less. However, if a new service or service provider is added after June 30, 2015, the initial reimbursement rate for the service or provider shall be based upon a weighted average of provider rates for similar services.

6. For the fiscal year beginning July 1, 2015, the reimbursement rates for resource family recruitment and retention contractors, child welfare emergency services contractors, and supervised apartment living foster care providers shall be increased by 5 percent over the rates in effect on June 30, 2015.

7. a. For the purposes of this subsection, "combined reimbursement rate" means the combined service and maintenance reimbursement rate for a service level under the department's reimbursement methodology. Effective July 1, 2015, the combined reimbursement rate for a group foster care service level shall be the amount designated in this subsection. However, if a group foster care provider's reimbursement rate for a service level as of June 30, 2015, is more than the rate designated in this subsection, the provider's reimbursement shall remain at the higher rate.

b. Unless a group foster care provider is subject to the exception provided in paragraph "a", effective July 1, 2015, the combined reimbursement rates for the service levels under the department's reimbursement methodology shall be as follows:

- (1) For service level, community - D1, the daily rate shall be at least \$84.17.
- (2) For service level, comprehensive - D2, the daily rate shall be at least \$119.09.
- (3) For service level, enhanced - D3, the daily rate shall be at least \$131.09.

8. The group foster care reimbursement rates paid for placement of children out of state shall be calculated according to the same rate-setting principles as those used for in-state providers, unless the director of human services or the director's designee determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

* Item veto; see message at end of the Act

9. a. For the fiscal year beginning July 1, 2015, the reimbursement rate paid for shelter care and the child welfare emergency services implemented to provide or prevent the need for shelter care shall be established by contract.

b. For the fiscal year beginning July 1, 2015, the combined service and maintenance components of the reimbursement rate paid for shelter care services shall be based on the financial and statistical report submitted to the department. The maximum reimbursement rate shall be \$101.83 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

c. Notwithstanding section 232.141, subsection 8, for the fiscal year beginning July 1, 2015, the amount of the statewide average of the actual and allowable rates for reimbursement of juvenile shelter care homes that is utilized for the limitation on recovery of unpaid costs shall remain at the amount in effect for this purpose in the fiscal year beginning July 1, 2014.

10. For the fiscal year beginning July 1, 2015, the department shall calculate reimbursement rates for intermediate care facilities for persons with an intellectual disability at the 80th percentile. Beginning July 1, 2015, the rate calculation methodology shall utilize the consumer price index inflation factor applicable to the fiscal year beginning July 1, 2015.

11. For the fiscal year beginning July 1, 2015, for child care providers reimbursed under the state child care assistance program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 2004. Effective July 1, 2015, the child care provider reimbursement rates shall remain at the rates in effect on June 30, 2015. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered by applying the increase only to registered and licensed providers.

**12. For the fiscal year beginning July 1, 2015, if the centers for Medicare and Medicaid services of the United States department of health and human services approves the waivers necessary to implement medical assistance program managed care applicable to any providers or services subject to reimbursement under this section, notwithstanding any provision to the contrary under this section, affected providers or services shall instead be reimbursed as follows:*

a. For fee-for-service claims, reimbursement shall be calculated based on the methodology otherwise specified in this section for the fiscal year beginning July 1, 2015, for the respective provider or service.

*b. For claims subject to a managed care contract, reimbursement shall be based on the methodology established by the managed care organization contract. However, any reimbursement established under such contract shall not be lower than the reimbursement otherwise specified in this section for the fiscal year beginning July 1, 2015, for the respective provider or service.**

13. The department may adopt emergency rules to implement this section.

Sec. 30. EMERGENCY RULES.

1. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health and disability services commission may adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the provisions of this division of this Act and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date of the rules is delayed or the applicability of the rules is suspended by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 7, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with the provisions of this section shall also be published as a notice of intended action as provided in section 17A.4.

* Item veto; see message at end of the Act

2. If during a fiscal year, the department of human services is adopting rules in accordance with this section or as otherwise directed or authorized by state law, and the rules will result in an expenditure increase beyond the amount anticipated in the budget process or if the expenditure was not addressed in the budget process for the fiscal year, the department shall notify the persons designated by this division of this Act for submission of reports, the chairpersons and ranking members of the committees on appropriations, and the department of management concerning the rules and the expenditure increase. The notification shall be provided at least 30 calendar days prior to the date notice of the rules is submitted to the administrative rules coordinator and the administrative code editor.

Sec. 31. REPORTS. Any reports or other information required to be compiled and submitted under this Act during the fiscal year beginning July 1, 2015, shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

Sec. 32. TRANSFER OF MEDICAID MODERNIZATION SAVINGS BETWEEN APPROPRIATIONS FY 2015-2016. Notwithstanding section 8.39, subsection 1, for the fiscal year beginning July 1, 2015, if savings resulting from the governor’s Medicaid modernization initiative accrue to the medical contracts or children’s health insurance program appropriation from the general fund of the state and not to the medical assistance appropriation from the general fund of the state under this division of this Act, such savings may be transferred to such medical assistance appropriation for the same fiscal year without prior written consent and approval of the governor and the director of the department of management. The department of human services shall report any transfers made pursuant to this section to the legislative services agency.

Sec. 33. EFFECTIVE UPON ENACTMENT. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The provision relating to section 232.141 and directing the state court administrator and the division administrator of the department of human services division of child and family services to make the determination, by June 15, 2015, of the distribution of funds allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state.

DIVISION VI
HEALTH CARE ACCOUNTS AND FUNDS — FY 2015-2016

Sec. 34. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriations made in this Act for medical contracts under the medical assistance program for the fiscal year beginning July 1, 2015, and ending June 30, 2016:

..... \$ 2,002,176

Sec. 35. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance for the same fiscal year:

..... \$ 37,205,208

Sec. 36. HOSPITAL HEALTH CARE ACCESS TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the hospital health care access trust fund created in section 249M.4 to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amounts, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance for the same fiscal year:
..... \$ 34,700,000

Sec. 37. MEDICAL ASSISTANCE PROGRAM — NONREVERSION FOR FY 2015-2016. Notwithstanding section 8.33, if moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2015, and ending June 30, 2016, from the general fund of the state, the quality assurance trust fund and the hospital health care access trust fund, are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall remain available for expenditure for the purposes of the medical assistance program until the close of the succeeding fiscal year.

DIVISION VII
PATIENT-CENTERED HEALTH ADVISORY COUNCIL

Sec. 38. Section 135.159, subsection 2, paragraph a, unnumbered paragraph 1, Code 2015, is amended to read as follows:

The department shall establish an a patient-centered health advisory council which shall include but is not limited to all of the following members, selected by their respective organizations, and any other members the department determines necessary to assist in the department’s duties at various stages of development of the medical home system:

Sec. 39. Section 135.159, subsection 2, paragraph b, Code 2015, is amended to read as follows:

b. Public members of the patient-centered health advisory council shall receive reimbursement for actual expenses incurred while serving in their official capacity only if they are not eligible for reimbursement by the organization that they represent.

Sec. 40. Section 135.159, subsection 10, Code 2015, is amended to read as follows:

10. The department shall integrate the recommendations and policies developed pursuant to section 135.161, Code 2011, into the medical home system and shall incorporate the development and implementation of the state initiative for prevention and chronic care management as developed pursuant to section 135.161, Code 2011, into the duties of the ~~medical home system~~ patient-centered health advisory council beginning January 1, 2012.

Sec. 41. CODE EDITOR DIRECTIVE. The Code editor shall amend the headnote of section 135.159, Code 2015, to read **Medical home system — patient-centered health advisory council — development and implementation.**

DIVISION VIII
PRIOR YEAR APPROPRIATIONS AND OTHER PRIOR PROVISIONS

DECATEGORIZATION — FY 2014-2015

Sec. 42. DECATEGORIZATION CARRYOVER FUNDING — TRANSFER TO MEDICAID PROGRAM. Notwithstanding section 232.188, subsection 5, paragraph “b”, any state appropriated moneys in the funding pool that remained unencumbered or unobligated at the close of the fiscal year beginning July 1, 2012, and were deemed carryover funding to remain available for the two succeeding fiscal years that still remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2014, shall not revert but shall be transferred to the medical assistance program for the fiscal year beginning July 1, 2014.

COMMUNITY MENTAL HEALTH SERVICES APPROPRIATION — FY 2014-2015

Sec. 43. 2013 Iowa Acts, chapter 136, section 2, subsection 1, paragraph c, is amended to read as follows:

c. The department shall allocate not less than 95 percent of the amount of the block grant each federal fiscal year to eligible community mental health services providers for carrying out the plan submitted to and approved by the federal substance abuse and mental health services administration for the fiscal year involved, except that for federal fiscal year 2014-2015, \$1,643,467 of such federal block grant funds shall be used for child and family services pursuant to 2013 Iowa Acts, chapter 138, section 148, as amended by 2014 Iowa Acts, chapter 1140, section 25, for the purposes of 2014 Iowa Acts, chapter 1140, section 25, subsection 20, relating to the community circle of care collaboration for children and youth in northeast Iowa, subsection 24 relating to the central Iowa system of care program grant, subsection 25 relating to the system of care grant implemented in Cerro Gordo and Linn counties, and subsection 27 relating to a system of care approach for children with a serious emotional disturbance and their families through a nonprofit provider of child welfare services licensed as a psychiatric medical institution for children.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES — FY 2014-2015

Sec. 44. 2013 Iowa Acts, chapter 138, section 136, subsections 1, 2, 6, and 13, as amended by 2014 Iowa Acts, chapter 1140, section 9, are amended to read as follows:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 9,879,488
6,281,222

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program and implementing family investment agreements in accordance with chapter 239B:

..... \$ 11,091,911
10,232,340

6. For state child care assistance:

..... \$ 35,047,110
41,210,239

a. Of the funds appropriated in this subsection, ~~\$26,347,110~~ \$26,332,712 is transferred to the child care and development block grant appropriation made by the Eighty-fifth General Assembly, 2013 Session, in 2013 Iowa Acts, chapter 136, section 14 for the federal fiscal year beginning October 1, 2014, and ending September 30, 2015. Of this amount, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.

b. Any funds appropriated in this subsection remaining unallocated shall be used for state child care assistance payments for families who are employed, including but not limited to individuals enrolled in the family investment program ~~who are employed~~.

13. a. Notwithstanding any provision to the contrary, including but not limited to requirements in section 8.41 or provisions in 2013 or 2014 Iowa Acts regarding the receipt and appropriation of federal block grants, federal funds from the temporary assistance for needy families block grant received by the state not otherwise appropriated in this section and remaining available for the fiscal year beginning July 1, 2014, are appropriated to the department of human services to the extent as may be necessary to be used in the following priority order: the family investment program, for state child care assistance program payments for ~~individuals enrolled in the family investment program~~ families who are employed, and for the family investment program share of costs to develop and maintain a new, integrated eligibility determination system. The federal funds appropriated in this

paragraph “a” shall be expended only after all other funds appropriated in subsection 1 for the assistance under the family investment program, in subsection 6 for child care assistance, or in subsection 12 for the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system, as applicable, have been expended. For the purposes of this subsection, the funds appropriated in subsection 6, paragraph “a”, for transfer to the child care and development block grant are considered fully expended when the full amount has been transferred.

b. The department shall, on a quarterly basis, advise the legislative services agency and department of management of the amount of funds appropriated in this subsection that was expended in the prior quarter.

CHILD SUPPORT RECOVERY UNIT — CARRYFORWARD FUNDING — TRANSFER TO
MEDICAID PROGRAM FOR FY 2015-2016

Sec. 45. 2013 Iowa Acts, chapter 138, section 139, as amended by 2014 Iowa Acts, chapter 1140, section 12, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year ending June 30, 2015, shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

MEDICAL ASSISTANCE — FY 2014-2015

Sec. 46. 2013 Iowa Acts, chapter 139,² section 142, unnumbered paragraph 2, as amended by 2014 Iowa Acts, chapter 1140, section 14, is amended to read as follows:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2014, except as otherwise expressly authorized by law, consistent with options under federal law and regulations, and contingent upon receipt of approval from the office of the governor of reimbursement for each abortion performed under the program:

.....	\$	1,250,658,393
		<u>1,266,486,529</u>

DISPROPORTIONATE SHARE HOSPITAL — FY 2014-2015

Sec. 47. 2013 Iowa Acts, chapter 138, section 142, subsection 11, paragraph a, unnumbered paragraph 1, as amended by 2014 Iowa Acts, chapter 1140, section 15, is amended to read as follows:

Of the funds appropriated in this section, ~~\$8,391,922~~ \$5,591,922 is allocated for the state match for a disproportionate share hospital payment of ~~\$19,133,430~~ \$12,749,481 to hospitals that meet both of the conditions specified in subparagraphs (1) and (2). In addition, the hospitals that meet the conditions specified shall either certify public expenditures or transfer to the medical assistance program an amount equal to provide the nonfederal share for a disproportionate share hospital payment of ~~\$7,500,000~~ \$13,883,949. The hospitals that meet the conditions specified shall receive and retain 100 percent of the total disproportionate share hospital payment of \$26,633,430.

MEDICAL CONTRACTS CARRYFORWARD FUNDING — TRANSFER TO MEDICAID
PROGRAM FOR FY 2015-2016

Sec. 48. 2013 Iowa Acts, chapter 138, section 143, as amended by 2014 Iowa Acts, chapter 1140, section 19, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

² According to enrolled Act; a reference to chapter 138 probably intended

STATE SUPPLEMENTARY ASSISTANCE — CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 49. 2013 Iowa Acts, chapter 138, section 144, as amended by 2014 Iowa Acts, chapter 1140, section 20, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

CHILDREN’S HEALTH INSURANCE PROGRAM/HEALTHY AND WELL KIDS IN IOWA PROGRAM CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 50. 2013 Iowa Acts, chapter 138, section 145, as amended by 2014 Iowa Acts, chapter 1140, section 21, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that same fiscal year.

CHILD CARE ASSISTANCE — FY 2014-2015

Sec. 51. 2013 Iowa Acts, chapter 138, section 146, unnumbered paragraphs 1 and 2, as amended by 2014 Iowa Acts, chapter 1140, section 22, are amended to read as follows:

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

.....	\$	47,132,080
		<u>36,303,944</u>

Sec. 52. 2013 Iowa Acts, chapter 138, section 146, subsection 1, as amended by 2014 Iowa Acts, chapter 1140, section 22, is amended to read as follows:

1. Of the funds appropriated in this section, ~~\$39,412,653~~ \$28,484,517 shall be used for state child care assistance in accordance with section 237A.13.

CHILD AND FAMILY SERVICES — CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 53. 2013 Iowa Acts, chapter 138, section 148, as amended by 2014 Iowa Acts, chapter 1140, section 25, is amended by adding the following new subsection:

NEW SUBSECTION. 29. Notwithstanding section 8.33, of the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year, \$8,293,467 shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

ADOPTION SUBSIDY — CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 54. 2013 Iowa Acts, chapter 138, section 149, as amended by 2014 Iowa Acts, chapter 1140, section 26, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

FAMILY SUPPORT SUBSIDY — CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 55. 2013 Iowa Acts, chapter 138, section 151, as amended by 2014 Iowa Acts, chapter 1140, section 27, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

CLARINDA AND INDEPENDENCE MENTAL HEALTH INSTITUTES CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 56. 2013 Iowa Acts, chapter 138, section 153, subsections 2 and 3, as amended by 2014 Iowa Acts, chapter 1140, section 29, are amended to read as follows:

2. a. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,787,309
..... FTEs 86.10

b. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

3. a. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 10,484,386
..... FTEs 233.00

b. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

GLENWOOD AND WOODWARD STATE RESOURCE CENTERS — CARRYFORWARD FUNDING — TRANSFER TO MEDICAID PROGRAM FOR FY 2015-2016

Sec. 57. 2013 Iowa Acts, chapter 138, section 154, subsection 1, as amended by 2014 Iowa Acts, chapter 1140, section 30, is amended to read as follows:

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 21,695,266

Notwithstanding section 8.33, moneys appropriated in this paragraph “a” that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

b. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 14,855,693

Notwithstanding section 8.33, moneys appropriated in this paragraph “b” that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

FIELD OPERATIONS — FY 2014-2015

Sec. 58. 2013 Iowa Acts, chapter 138, section 156, unnumbered paragraphs 1 and 2, as amended by 2014 Iowa Acts, chapter 1140, section 32, are amended to read as follows:

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	65,170,976
		<u>61,170,976</u>
.....	FTEs	1,837.00

GENERAL ADMINISTRATION — FY 2014-2015

Sec. 59. 2013 Iowa Acts, chapter 138, section 157, unnumbered paragraphs 1 and 2, as amended by 2014 Iowa Acts, chapter 1140, section 33, are amended to read as follows:

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	16,072,302
		<u>15,072,302</u>
.....	FTEs	309.00

CHILDREN ADJUDICATED AS DELINQUENT AND CHILD IN NEED OF ASSISTANCE PLACEMENTS — CARRYFORWARD FUNDING FY 2015-2016

Sec. 60. 2013 Iowa Acts, chapter 138, section 147A, as enacted by 2014 Iowa Acts, chapter 1140, section 24, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall be transferred to the medical assistance appropriation for the fiscal year beginning July 1, 2015, to be used for the medical assistance program for that fiscal year.

Sec. 61. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 62. RETROACTIVE APPLICABILITY. This division of this Act is retroactively applicable to July 1, 2014.

DIVISION IX
HEALTH POLICY — OVERSIGHT

Sec. 63. HEALTH POLICY OVERSIGHT — MEDICAID MANAGED CARE.

1. The department of human services shall partner with appropriate stakeholders to convene monthly statewide public meetings to receive input and recommendations from stakeholders and members of the public regarding Medicaid managed care, beginning in March 2016. The meetings shall be held in both rural and urban areas, in small communities and large population centers, and in a manner that is geographically balanced. The input and recommendations of the public meetings shall be compiled by the department of human services and submitted to the executive committee of the medical assistance advisory council created in section 249A.4B.

2. a. The executive committee of the medical assistance advisory council shall review the compilation of the input and recommendations of the public meetings convened pursuant to subsection 1, and shall submit recommendations based upon the compilation to the director of human services on a quarterly basis.

b. The director of human services shall submit the compilation and the recommendations made under paragraph “a” to the legislative health policy oversight committee created in section 2.45.

Sec. 64. Section 2.45, Code 2015, is amended by adding the following new subsection:

NEW SUBSECTION. 6. The legislative health policy oversight committee, which shall be composed of members appointed by the legislative council. The legislative health policy oversight committee shall receive updates and review data, public input and concerns, and make recommendations for improvements to and changes in law or rule regarding Medicaid managed care.

Sec. 65. **NEW SECTION. 231.44 Utilization of resources — assistance and advocacy related to long-term services and supports under the Medicaid program.**

1. The office of long-term care ombudsman may utilize its available resources to provide assistance and advocacy services to eligible recipients, or the families or legal representatives of such eligible recipients, of long-term services and supports provided through the Medicaid program. Such assistance and advocacy shall include but is not limited to all of the following:

a. Assisting recipients in understanding the services, coverage, and access provisions and their rights under Medicaid managed care.

b. Developing procedures for the tracking and reporting of the outcomes of individual requests for assistance, the obtaining of necessary services and supports, and other aspects of the services provided to eligible recipients.

c. Providing advice and assistance relating to the preparation and filing of complaints, grievances, and appeals of complaints or grievances, including through processes available under managed care plans and the state appeals process, relating to long-term services and supports under the Medicaid program.

2. A representative of the office of long-term care ombudsman providing assistance and advocacy services authorized under this section for an individual, shall be provided access to the individual, and shall be provided access to the individual’s medical and social records as authorized by the individual or the individual’s legal representative, as necessary to carry out the duties specified in this section.

3. A representative of the office of long-term care ombudsman providing assistance and advocacy services authorized under this section for an individual, shall be provided access to administrative records related to the provision of the long-term services and supports to the individual, as necessary to carry out the duties specified in this section.

4. For the purposes of this section:

a. “*Institutional setting*” includes a long-term care facility, an elder group home, or an assisted living program.

b. “*Long-term services and supports*” means the broad range of health, health-related, and personal care assistance services and supports, provided in both institutional settings and home and community-based settings, necessary for older individuals and persons with disabilities who experience limitations in their capacity for self-care due to a physical, cognitive, or mental disability or condition.

Sec. 66. **PROPOSAL FOR A HEALTH CONSUMER OMBUDSMAN ALLIANCE.** The office of long-term care ombudsman shall collaborate with the department on aging, the office of substitute decision maker, the department of veterans affairs, the department of human services, the department of public health, the department of inspections and appeals, the designated protection and advocacy agency as provided in section 135C.2, subsection 4, the civil rights commission, the senior health insurance information program, the Iowa insurance consumer advocate, Iowa legal aid, and other consumer advocates and consumer assistance programs, to develop a proposal for the establishment of a health consumer ombudsman alliance. The purpose of the alliance is to provide a permanent coordinated system of independent consumer supports to ensure that consumers, including consumers covered under Medicaid managed care, obtain and maintain essential health care, are provided unbiased information in understanding coverage models, and are assisted in resolving problems regarding health care services, coverage, access, and rights. The

proposal developed shall include annual budget projections and shall be submitted to the governor and the general assembly no later than December 15, 2015.

**Sec. 67. LEVEL OF CARE ASSESSMENTS AND REASSESSMENTS, OPTIONS COUNSELING, AND CASE MANAGEMENT.*

1. a. *The department of human services shall contract with a conflict free third party to conduct initial level of care assessments and reassessments for Medicaid program applicants or members who are not enrolled in a Medicaid managed care plan.*

b. *A Medicaid managed care contractor shall conduct initial level of care assessments and reassessments for Medicaid program members enrolled in the contractor's plan, and shall submit the results to the department.*

c. *All level of care assessments and reassessments shall be conducted using an assessment tool approved by the department and shall be conflict free.*

d. *The department shall determine the level of care of an applicant or member based upon the results of the assessments or reassessments conducted and submitted in accordance with this subsection.*

e. *Level of care reassessments shall be conducted annually or when the needs of a member change.*

2. *A Medicaid member's service plan shall reflect the member's needs and goals based upon the assessment or reassessment conducted pursuant to subsection 1. A member's service plan shall not be changed prior to the completion of a functional or needs reassessment, and any subsequent service plan shall be based on the reassessment.*

3. *The department shall provide for administration of nonbiased, community-based, in-person options counseling by a conflict free third party for applicants for a Medicaid managed care plan.*

4. *Case management under a Medicaid managed care contract shall be administered in a conflict free manner.*

5. *For the purposes of this section, "conflict free" means conflict free pursuant to specifications of the balancing incentive program requirements.**

DIVISION X
AUTISM

Sec. 68. NEW SECTION. 135.181 Behavior analyst and board certified assistant behavior analyst grants program — fund.

1. The department shall establish a board-certified behavior analyst and board-certified assistant behavior analyst grants program to provide grants to Iowa resident and nonresident applicants who have been accepted for admission or are attending a board of regents university, community college, or an accredited private institution, are enrolled in a program to be eligible for board certification as a behavior analyst or assistant behavior analyst, and demonstrate financial need. Priority in the awarding of a grant shall be given to applicants who are residents of Iowa.

2. The department, in cooperation with the department of education, shall adopt rules pursuant to chapter 17A to establish minimum standards for applicants to be eligible for a grant that address all of the following:

- a. Eligibility requirements for and qualifications of an applicant to receive a grant.
- b. The application process for the grant.
- c. Criteria for preference in awarding of the grants.
- d. Determination of the amount of a grant.
- e. Use of the funds awarded.

3. a. A board-certified behavior analyst and board-certified assistant behavior analyst grants program fund is created in the state treasury as a separate fund under the control of the department. The fund shall consist of moneys appropriated from the general fund of the state for the purposes of the fund and moneys from any other public or private source available.

* Item veto; see message at end of the Act

b. The department may receive contributions, grants, and in-kind contributions to support the purposes of the fund. Not more than five percent of the moneys in the fund may be used annually for administrative costs.

c. The fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the fund shall not be considered revenue of the state, but rather shall be moneys of the fund. Moneys within the fund are not subject to section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except to provide for the purposes of this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

d. The moneys in the fund are appropriated to the department and shall be used to provide grants to individuals who meet the criteria established under this section.

Sec. 69. Section 225D.1, subsection 3, Code 2015, is amended to read as follows:

3. “Autism service provider” means a person providing applied behavioral analysis, who meets all of the following criteria:

a. Is any of the following:

(1) Is certified as a behavior analyst by the behavior analyst certification board or, is a health professional licensed under chapter 147 psychologist licensed under chapter 154B, or is a psychiatrist licensed under chapter 148.

(2) Is a board-certified assistant behavior analyst who performs duties, identified by and based on the standards of the behavior analyst certification board, under the supervision of a board-certified behavior analyst.

b. Is approved as a member of the provider network by the department.

Sec. 70. Section 225D.2, subsection 2, Code 2015, is amended by adding the following new paragraph:

NEW PARAGRAPH. l. Proof of eligibility for the autism support program that includes a written denial for coverage or a benefits summary indicating that applied behavioral analysis treatment is not a covered benefit for which the applicant is eligible, under the Medicaid program, section 514C.28, or private insurance coverage.

Sec. 71. Section 225D.2, subsection 5, paragraph a, Code 2015, is amended to read as follows:

a. An autism support fund is created in the state treasury under the authority of the department. Moneys appropriated to and all other moneys specified for deposit in the fund shall be deposited in the fund and used for the purposes of the program. Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund. Notwithstanding section 8.33, moneys credited to the fund that remain unexpended or unobligated at the end of a fiscal year shall not revert to any other fund.

DIVISION XI OFFICE OF SUBSTITUTE DECISION MAKER

Sec. 72. Section 231E.4, subsection 3, paragraph a, Code 2015, is amended to read as follows:

a. Select persons through a request for proposals process to establish local offices of substitute decision maker in each of the planning and service areas. Local offices shall be established statewide on or before July 1, 2015 2017.

DIVISION XII DEMENTIA WORKFORCE

Sec. 73. INTERAGENCY DEMENTIA PROFICIENT WORKFORCE TASK FORCE. The department on aging shall convene an interagency task force, in collaboration with the office of long-term care ombudsman, the office of substitute decision maker, the departments of public health, human services, and inspections and appeals, and the Alzheimer’s association, to review the recommendations for a standard curriculum model for dementia

education submitted by the Alzheimer's association dementia education task force to the department on aging in June 2010, in the Iowa dementia education project final report, and the curricula-related recommendations submitted by the direct care worker task force and the direct care worker advisory council; identify staff, in settings in which individuals with dementia may seek services and care, who should have some level of dementia proficiency and analyze gaps in existing training and educational requirements; and develop an implementation plan to transition toward competency-based dementia curricula and training that achieves dementia proficiency across a broader care continuum. To the greatest extent possible, the plan shall address training strategies for different settings, levels of skill, and licensure. The plan shall include a timeline for implementation, fiscal implications of recommendations, and identification of key decision points for the general assembly. The task force shall provide opportunities for stakeholder input from affected industry, education, professional, employee, and consumer organizations. The task force shall submit its recommendations to the governor and the general assembly no later than December 15, 2015.

DIVISION XIII PHARMACEUTICAL COLLECTION AND DISPOSAL PROGRAM

Sec. 74. Section 155A.43, Code 2015, is amended to read as follows:

155A.43 Pharmaceutical collection and disposal program — annual allocation.

Of the fees collected pursuant to sections 124.301 and 147.80 and chapter 155A by the board of pharmacy, and retained by the board pursuant to section 147.82, not more than one hundred ~~twenty-five~~ ~~seventy-five~~ thousand dollars may be allocated annually by the board for administering the pharmaceutical collection and disposal program originally established pursuant to [2009 Iowa Acts, ch. 175, §9](#). The program shall provide for the management and disposal of unused, excess, and expired pharmaceuticals. The board of pharmacy may cooperate with the Iowa pharmacy association and may consult with the department and sanitary landfill operators in administering the program.

DIVISION XIV PREREQUISITES FOR AN ABORTION

Sec. 75. NEW SECTION. **146A.1 Prerequisites for an abortion.**

Except in the case of a medical emergency, as defined in section 135L.1, for any woman, the physician shall certify both of the following before performing an abortion:

1. That the woman has been given the opportunity to view an ultrasound image of the fetus as part of the standard of care.
2. That the woman has been provided information regarding the options relative to a pregnancy, including continuing the pregnancy to term and retaining parental rights following the child's birth, continuing the pregnancy to term and placing the child for adoption, and terminating the pregnancy.

DIVISION XV IOWA ABLE SAVINGS PLAN TRUST

Sec. 76. NEW SECTION. **12I.1 Purpose and definitions.**

1. The general assembly finds that the general welfare and well-being of the state are directly related to the health, maintenance, independence, and quality of life of its disabled residents, and that a vital and valid public purpose is served by the creation and implementation of programs that encourage and make possible savings to secure funding for disability-related expenses on behalf of individuals with disabilities that will supplement, but not supplant, other benefits provided by various federal, state, and private sources. The creation of the means of encouragement for citizens to invest in such a program represents the carrying out of a vital and valid public purpose. In order to make available to the citizens of the state an opportunity to fund future disability-related expenses of individuals, it is necessary that a public trust be established in which moneys may be invested for payment of future disability-related expenses of an individual.

2. As used in this chapter, unless the context otherwise requires:

a. “*Account balance limit*” means the maximum allowable aggregate balance of an account established for a designated beneficiary. Account earnings, if any, are included in the account balance limit.

b. “*Account owner*” means an individual who enters into a participation agreement under this chapter for the payment of qualified disability expenses on behalf of a designated beneficiary.

c. “*Contracting state*” means the same as defined in section 529A of the Internal Revenue Code.

d. “*Designated beneficiary*” means an individual who is a resident of this state or a resident of a contracting state and who meets the definition of “*eligible individual*” in section 529A of the Internal Revenue Code.

e. “*Internal Revenue Code*” means the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

f. “*Iowa ABLÉ savings plan trust*” or “*trust*” means the trust created under section 121.2.

g. “*Participation agreement*” means an agreement between the account owner and the trust entered into under this chapter.

h. “*Qualified ABLÉ program*” means the same as defined in section 529A of the Internal Revenue Code.

i. “*Qualified disability expenses*” means the same as defined in section 529A of the Internal Revenue Code.

j. “*Resident*” shall be defined by rules adopted by the treasurer of state. The rules shall determine residency in such manner as may be required or permitted under section 529A of the Internal Revenue Code, or, in the absence of any guidance under federal law, as the treasurer of state deems advisable for the purpose of satisfying the requirements of section 529A of the Internal Revenue Code.

Sec. 77. NEW SECTION. 121.2 Creation of Iowa ABLÉ savings plan trust.

An Iowa ABLÉ savings plan trust is created. The treasurer of state is the trustee of the trust, and has all powers necessary to carry out and effectuate the purposes, objectives, and provisions of this chapter pertaining to the trust, including the power to do all of the following:

1. Make and enter into contracts necessary for the administration of the trust created under this chapter.

2. Enter into agreements with this state or any other state, or any federal or other state agency, or other entity as required to implement this chapter.

3. Carry out the duties and obligations of the trust pursuant to this chapter.

4. Accept any grants, gifts, legislative appropriations, and other moneys from the state, any unit of federal, state, or local government, or any other person, firm, partnership, or corporation which the treasurer of state shall deposit into the administrative fund or program fund.

5. Participate in any federal, state, or local governmental program for the benefit of the trust.

6. Procure insurance against any loss in connection with the property, assets, or activities of the trust.

7. Enter into participation agreements with account owners.

8. Make payments to designated beneficiaries pursuant to participation agreements.

9. Make refunds to account owners upon the termination of participation agreements, and partial nonqualified distributions to account owners, pursuant to this chapter and the limitations and restrictions set forth in this chapter.

10. Invest moneys from the program fund in any investments that are determined by the treasurer of state to be appropriate.

11. Engage investment advisors, if necessary, to assist in the investment of trust assets.

12. Contract for goods and services and engage personnel as necessary, including consultants, actuaries, managers, legal counsel, and auditors for the purpose of rendering professional, managerial, and technical assistance and advice to the treasurer of state regarding trust administration and operation.

13. Establish, impose, and collect administrative fees and charges in connection with transactions of the trust, and provide for reasonable service charges, including penalties for cancellations and late payments with respect to participation agreements.

14. Administer the funds of the trust.

15. Prepare and file reports and notices.

16. Enter into agreements with contracting states to permit residents of the contracting state to participate in the Iowa ABLE savings plan trust.

17. Adopt rules pursuant to chapter 17A for the administration of this chapter.

Sec. 78. NEW SECTION. 12I.3 Participation agreements for trust.

On or after July 1, 2016, the trust may enter into participation agreements with account owners pursuant to the following terms and agreements:

1. *a.* Unless otherwise permitted under section 529A of the Internal Revenue Code, the treasurer of state shall allow only one participation agreement per designated beneficiary.

b. Unless otherwise permitted under section 529A of the Internal Revenue Code, the account owner must also be the designated beneficiary of the account. However, a trustee or legal guardian may be designated as custodian of an account for a designated beneficiary who is a minor or who lacks capacity to enter into a participation agreement if such designation is not prohibited under section 529A of the Internal Revenue Code.

c. The treasurer of state shall set an annual contribution limit and account balance limit to maintain compliance with section 529A of the Internal Revenue Code. A contribution shall not be permitted to the extent it exceeds the annual contribution limit or causes the aggregate balance of the account established for the designated beneficiary to exceed the applicable account balance limit.

d. The maximum amount that may be deducted per year for Iowa income tax purposes by an individual for contributions on behalf of any one designated beneficiary that is a resident of this state shall not exceed the maximum deductible amount determined for the year pursuant to section 12D.3, subsection 1, paragraph “a”.

e. Participation agreements may be amended to provide for adjusted levels of contributions based upon changed circumstances or changes in disability-related expenses.

f. Any person may make contributions pursuant to a participation agreement on behalf of a designated beneficiary under rules adopted by the treasurer of state.

2. The execution of a participation agreement by the trust shall not guarantee in any way that future disability-related expenses will be equal to projections and estimates provided by the trust or that the account owner or designated beneficiary is guaranteed any of the following:

a. A return of principal.

b. A rate of interest or other return from the trust.

c. Payment of interest or other return from the trust.

3. *a.* A designated beneficiary under a participation agreement may be changed as permitted under rules adopted by the treasurer of state upon written request of the account owner as long as such change would be permitted by section 529A of the Internal Revenue Code.

b. Participation agreements may otherwise be freely amended throughout their terms in order to enable account owners to increase or decrease the level of participation, change the designated beneficiary, and carry out similar matters as authorized by rule.

4. Each participation agreement shall provide that the participation agreement may be canceled upon the terms and conditions, and upon payment of applicable fees and costs set forth and contained in the rules adopted by the treasurer of state.

Sec. 79. NEW SECTION. 12I.4 Program and administrative funds — investment and payment.

1. *a.* The treasurer of state shall segregate moneys received by the trust into two funds: the program fund and the administrative fund.

b. All moneys paid by account owners or other persons on behalf of a designated beneficiary in connection with participation agreements shall be deposited as received into separate accounts for each designated beneficiary within the program fund.

c. Contributions to the trust made on behalf of designated beneficiaries may only be made in the form of cash.

d. An account owner or designated beneficiary is not permitted to provide investment direction regarding contributions or earnings held by the trust.

2. Moneys accrued by account owners in the program fund of the trust may be used for payments of qualified disability expenses.

3. Moneys in the account of a designated beneficiary may be claimed by the Iowa Medicaid program as provided in section 529A(f) of the Internal Revenue Code and subject to limitations imposed by the treasurer of state.

4. The trust shall comply with Pub. L. No. 113-295, §103, regarding treatment of ABLE accounts under certain federal programs.

5. Moneys in the funds are not subject to section 8.33. Notwithstanding section 12C.7, interest or earnings on moneys in the funds shall be credited to the funds.

Sec. 80. NEW SECTION. 12I.5 Cancellation of agreements.

An account owner may cancel a participation agreement at will. Upon cancellation of a participation agreement, an account owner shall be entitled to the return of the account owner's account balance.

Sec. 81. NEW SECTION. 12I.6 Repayment and ownership of payments and investment income — transfer of ownership rights.

1. a. An account owner retains ownership of all contributions made on behalf of a designated beneficiary under a participation agreement up to the date of utilization for payment of qualified disability expenses of the designated beneficiary.

b. All income derived from the investment of the contributions made on behalf of a designated beneficiary shall be considered to be held in trust for the benefit of the designated beneficiary.

2. In the event the trust is terminated prior to payment of qualified disability expenses for the designated beneficiary, the account owner is entitled to a refund of the account owner's account balance.

3. Any amounts which may be paid to any person or persons pursuant to the Iowa ABLE savings plan trust but which are not listed in this section are owned by the trust.

4. An account owner may transfer ownership rights to another designated beneficiary, including a gift of the ownership rights to a designated beneficiary who is a minor, in accordance with rules adopted by the treasurer of state and the terms of the participation agreement, so long as the transfer would be permitted by section 529A of the Internal Revenue Code.

5. An account owner or designated beneficiary shall not be entitled to utilize any interest in the trust as security for a loan.

Sec. 82. NEW SECTION. 12I.7 Reports — annual audited financial report — reports under federal law.

1. a. The treasurer of state shall submit an annual audited financial report, prepared in accordance with generally accepted accounting principles, on the operations of the trust by November 1 to the governor and the general assembly.

b. The annual audit shall be made either by the auditor of state or by an independent certified public accountant designated by the auditor of state and shall include direct and indirect costs attributable to the use of outside consultants, independent contractors, and any other persons who are not state employees.

2. The annual audit shall be supplemented by all of the following information prepared by the treasurer of state:

a. Any related studies or evaluations prepared in the preceding year.

b. A summary of the benefits provided by the trust, including the number of account owners and designated beneficiaries in the trust, or, if the trust has caused this state to become a contracting state pursuant to section 12I.10, a summary of the benefits provided to Iowa residents by the contracted qualified ABLE program, including the number of account

owners and designated beneficiaries in the contracted qualified ABLE program who are Iowa residents.

c. Any other information deemed relevant by the treasurer of state in order to make a full, fair, and effective disclosure of the operations of the trust or the contracted qualified ABLE program if applicable.

3. The treasurer of state shall prepare and submit to the secretary of the United States treasury or other required party any reports, notices, or statements required under section 529A of the Internal Revenue Code.

Sec. 83. NEW SECTION. 12I.8 Tax considerations.

1. For federal income tax purposes, the Iowa ABLE savings plan trust shall be considered a qualified ABLE program exempt from taxation pursuant to section 529A of the Internal Revenue Code and shall be operated so that it meets the requirements of section 529A of the Internal Revenue Code.

2. State income tax treatment of the Iowa ABLE savings plan trust shall be as provided in section 422.7, subsections 34 and 34A.

3. State inheritance tax treatment of interests in Iowa ABLE savings plans shall be as provided in section 450.4, subsection 9.

Sec. 84. NEW SECTION. 12I.9 Property rights to assets in trust.

1. The assets of the trust shall at all times be preserved, invested, and expended solely and only for the purposes of the trust and shall be held in trust for the account owners and designated beneficiaries.

2. Except as provided in section 12I.4, subsection 3, no property rights in the trust shall exist in favor of the state.

3. Except as provided in section 12I.4, subsection 3, the assets of the trust shall not be transferred or used by the state for any purposes other than the purposes of the trust.

Sec. 85. NEW SECTION. 12I.10 Implementation as a contracting state — tax considerations.

1. The general assembly acknowledges that section 529A of the Internal Revenue Code permits access to qualified ABLE programs by residents of a state without such a program. The general assembly finds that becoming a contracting state may accomplish the public purpose set forth in section 12I.1, subsection 1, in the same manner as if the qualified ABLE program under the Iowa ABLE savings plan trust were to be implemented and administered by this state. To that end, the treasurer of state, as trustee of the trust, may defer implementation of the qualified ABLE program under the trust and alternatively cause this state to become a contracting state by entering into an agreement with another state with a qualified ABLE program to provide Iowa residents access to that state's qualified ABLE program. The trust shall not enter into an agreement pursuant to this section unless the treasurer, as trustee of the trust, determines that all of the following requirements are satisfied:

a. The program is a qualified ABLE program.

b. The qualified ABLE program provides comparable benefits and protections to Iowa residents as would be provided under the Iowa ABLE savings plan trust.

c. That entering into an agreement for access to the qualified ABLE program would not result in increased costs to the state or to account owners and designated beneficiaries as compared to the costs of implementing and administering the qualified ABLE program under the Iowa ABLE savings plan trust.

d. The qualified ABLE program will be audited annually by an independent certified public accountant or by the state auditor, or similar public official, of the state that has implemented the qualified ABLE program.

e. The qualified ABLE program will provide information to the treasurer of state as trustee of the trust so as to allow the trustee to fulfill the reporting requirements in section 12I.7.

2. a. The maximum amount that may be deducted per year for Iowa income tax purposes by an individual for contributions on behalf of any one designated beneficiary that is a resident of this state to the qualified ABLE program with which the state has contracted

pursuant to this section shall not exceed the maximum deductible amount determined for the year pursuant to section 12D.3, subsection 1, paragraph “a”.

b. State income tax treatment of the qualified ABLE program with which the state has contracted pursuant to this section shall be as provided in section 422.7, subsections 34 and 34A.

3. State inheritance tax treatment of interests in the qualified ABLE program with which the state has contracted pursuant to this section shall be as provided in section 450.4, subsection 9.

Sec. 86. NEW SECTION. 12I.11 Construction.

This chapter shall be construed liberally in order to effectuate its purpose.

Sec. 87. Section 422.7, Code 2015, is amended by adding the following new subsections:

NEW SUBSECTION. 34. a. Subtract the amount contributed during the tax year on behalf of a designated beneficiary that is a resident of this state to the Iowa ABLE savings plan trust or to the qualified ABLE program with which the state has contracted pursuant to section 12I.10, not to exceed the maximum contribution level established in section 12I.3, subsection 1, paragraph “d”, or section 12I.10, subsection 2, paragraph “a”, as applicable.

b. Add the amount resulting from the cancellation of a participation agreement refunded to the taxpayer as an account owner in the Iowa ABLE savings plan trust or the qualified ABLE program with which the state has contracted pursuant to section 12I.10 to the extent previously deducted pursuant to this subsection by the taxpayer or any other person as a contribution to the trust or qualified ABLE program.

c. Add the amount resulting from a withdrawal made by a taxpayer from the Iowa ABLE savings plan trust or the qualified ABLE program with which the state has contracted pursuant to section 12I.10 for purposes other than the payment of qualified disability expenses to the extent previously deducted pursuant to this subsection by the taxpayer or any other person as a contribution to the trust or qualified ABLE program.

NEW SUBSECTION. 34A. Subtract, to the extent included, income from interest and earnings received from the Iowa ABLE savings plan trust created in chapter 12I, or received by a resident account owner from a qualified ABLE program with which the state has contracted pursuant to section 12I.10.

Sec. 88. Section 450.4, Code 2015, is amended by adding the following new subsection:

NEW SUBSECTION. 9. On the value of any interest in the Iowa ABLE savings plan trust created in chapter 12I, or any interest held by a resident account owner in a qualified ABLE program with which the state has contracted pursuant to section 12I.10.

Sec. 89. CONTINGENT IMPLEMENTATION. The implementation of chapter 12I as enacted in this division of this Act is subject to an appropriation with the stated purpose of the Iowa ABLE Savings Plan Trust.

Sec. 90. APPLICABILITY. The section of this division of this Act amending section 450.4 applies to estates of decedents dying on or after January 1, 2016.

Sec. 91. APPLICABILITY. The section of this division of this Act amending section 422.7 applies to tax years beginning on or after January 1, 2016.

***DIVISION XVI**

STATE CHILD CARE ASSISTANCE — INCOME ELIGIBILITY

Sec. 92. Section 237A.13, subsection 7, paragraph c, Code 2015, is amended to read as follows:

c. Families with an income of more than one hundred percent but not more than one hundred ~~forty-five~~ fifty percent of the federal poverty level whose members, for at least

* Item veto; see message at end of the Act

twenty-eight hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.

*Sec. 93. DIRECTIVE TO DEPARTMENT OF HUMAN SERVICES ON CHILD CARE ASSISTANCE. The department of human services shall amend its administrative rules relating to income eligibility for state child care assistance, according to family size for children needing basic care, to families whose nonexempt gross monthly income does not exceed 150 percent of the federal poverty level.**

DIVISION XVII
COUNTY MENTAL HEALTH AND DISABILITIES SERVICES FUNDING —
EQUALIZATION AND MEDICAID OFFSET

Sec. 94. Section 331.424A, subsection 8, unnumbered paragraph 1, Code 2015, is amended to read as follows:

Notwithstanding subsection 6, for the fiscal years beginning July 1, 2013, July 1, 2014, ~~and July 1, 2015, and July 1, 2016~~, county revenues from taxes levied by the county and credited to the county services fund shall not exceed the lower of the following amounts:

Sec. 95. Section 426B.3, subsection 1, Code 2015, is amended to read as follows:

1. For the fiscal years beginning July 1, 2013, July 1, 2014, ~~and July 1, 2015, and July 1, 2016~~, the state and county funding for the mental health and disability services administered or paid for by counties shall be provided based on a statewide per capita expenditure target amount computed in accordance with this section and section 331.424A.

Sec. 96. Section 426B.3, subsection 4, paragraph a, Code 2015, is amended to read as follows:

a. For the fiscal years beginning July 1, 2013, July 1, 2014, ~~and July 1, 2015, and July 1, 2016~~, a county with a county population expenditure target amount that exceeds the amount of the county's base year expenditures for mental health and disabilities services shall receive an equalization payment for the difference.

Sec. 97. Section 426B.3, subsection 5, Code 2015, is amended by striking the subsection.

DIVISION XVIII
MEDICAID OFFSET PAYMENTS

Sec. 98. Section 426B.3, subsection 5, paragraph e, subparagraph (1), Code 2015, is amended to read as follows:

(1) (a) If the county receives an equalization payment in the fiscal year following the calculation year, the county shall repay the Medicaid offset amount to the state from that equalization payment. A county's repayment pursuant to this subparagraph shall be remitted on or before January 1 of the fiscal year in which the equalization payment is received and the repayment shall be credited to the property tax relief fund. Moneys credited to the property tax relief fund in accordance with this subparagraph are subject to appropriation by the general assembly to support mental health and disability services administered by the regional system. The department of human services' annual budget shall include recommendations for reinvestment of the amounts credited to the fund to address core and additional core services administered by the regional system.

(b) Notwithstanding any provision to the contrary in subparagraph division (a), during the fiscal year beginning July 1, 2014, any repayment received pursuant to subparagraph division (a) shall not be subject to appropriation by the general assembly to support mental health and disabilities services administered by the regional system, but instead shall be transferred to the department of human services to supplement the medical assistance program appropriations for the fiscal year beginning July 1, 2015.

* Item veto; see message at end of the Act

DIVISION XIX
PROPERTY TAX RELIEF FUND — BLOCK GRANT MONEYS

Sec. 99. PROPERTY TAX RELIEF FUND BLOCK GRANT MONEY. The moneys transferred to the property tax relief fund for the fiscal year beginning July 1, 2015, from the federal social services block grant pursuant to 2015 Iowa Acts, House File 630,³ and from the federal temporary assistance for needy families block grant, totaling at least \$11,774,275, are appropriated to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, to be used for the purposes designated, notwithstanding any provision of law to the contrary:

1. For distribution to any mental health and disability services region where 25 percent of the region’s projected expenditures exceeds the region’s projected fund balance:

..... \$ 960,000

a. For purposes of this subsection:

(1) “Available funds” means a county mental health and services fund balance on June 30, 2015, plus the maximum amount a county was allowed to levy for the fiscal year beginning July 1, 2015.

(2) “Projected expenditures” means the actual expenditures of a mental health and disability services region as of June 30, 2015, multiplied by an annual inflation rate of 2 percent plus the projected costs for new core services administered by the region as provided in a region’s regional service system management plan approved pursuant to section 331.393 for the fiscal year beginning July 1, 2015.

(3) “Projected fund balance” means the difference between a mental health and disability services region’s available funds and projected expenditures.

b. If sufficient funds are not available to implement this subsection, the department of human services shall distribute funds to a region in proportion to the availability of funds.

c. A mental health and disability services region with a population of 35,000 or less, as determined by the latest federal decennial census, shall work with the department of human services to determine whether the region shall join another region approved by the department in accordance with section 331.389 to increase the availability of and access to needed mental health and disability services.

2. To be transferred to the appropriation in this Act for child and family services for the fiscal year beginning July 1, 2015, to be used for the purpose of that appropriation:

..... \$ 10,814,275

DIVISION XX
STUDY — CHILD WELFARE ADVISORY COMMITTEE

Sec. 100. STUDY — CHILD WELFARE ADVISORY COMMITTEE. The child welfare advisory committee of the council on human services established pursuant to section 217.3A shall study procedures in the department of human services for receiving complaints from families involved in guardianship, placement, and custody proceedings; and the specificity and clarity of court orders issued in foster care placements pursuant to the State of Iowa Primary Review of Tit. IV-E Foster Care Eligibility Report of Findings for October 1, 2012, through March 31, 2013. The committee shall submit a report with findings and recommendations to the governor and general assembly on or before December 15, 2015.

DIVISION XXI
COVERAGE OF SERVICES PROVIDED BY A PHYSICAL THERAPIST,
OCCUPATIONAL THERAPIST, OR SPEECH PATHOLOGIST

Sec. 101. **NEW SECTION. 514C.30 Services provided by a physical therapist, occupational therapist, or speech pathologist.**

1. Notwithstanding the uniformity of treatment requirements of section 514C.6, a policy, contract, or plan providing for third-party payment or prepayment of health or medical expenses shall not impose a copayment or coinsurance amount on an insured for services

³ Chapter 130 herein

provided by a physical therapist licensed pursuant to chapter 148A, by an occupational therapist licensed pursuant to chapter 148B, or by a speech pathologist licensed pursuant to 154F that is greater than the copayment or coinsurance amount imposed on the insured for services provided by a person engaged in the practice of medicine and surgery or osteopathic medicine and surgery under chapter 148 for the same or a similar diagnosed condition even if a different nomenclature is used to describe the condition for which the services are provided.

2. This section applies to the following classes of third-party payment provider policies, contracts, or plans delivered, issued for delivery, continued, or renewed in this state on or after July 1, 2015:

a. Individual or group accident and sickness insurance providing coverage on an expense-incurred basis.

b. An individual or group hospital or medical service contract issued pursuant to chapter 509, 514, or 514A.

c. An individual or group health maintenance organization contract regulated under chapter 514B.

d. A plan established pursuant to chapter 509A for public employees.

e. An organized delivery system licensed by the director of public health.

3. This section shall not apply to accident-only, specified disease, short-term hospital or medical, hospital confinement indemnity, credit, dental, vision, Medicare supplement, long-term care, basic hospital and medical-surgical expense coverage as defined by the commissioner, disability income insurance coverage, coverage issued as a supplement to liability insurance, workers' compensation or similar insurance, or automobile medical payment insurance.

DIVISION XXII CHILDREN'S MENTAL HEALTH AND WELL-BEING WORKGROUP

Sec. 102. CHILDREN'S MENTAL HEALTH WORKGROUP. The department of human services, in cooperation with the departments of education and public health, shall facilitate a study by a workgroup of stakeholders which shall make recommendations relating to children's mental health. The workgroup shall study incorporating a coordinated response in children's mental health services that emphasizes implementation of mental health issues across the various systems that serve children, taking into account the effects of mental health, child welfare, and child welfare systems and services, and that specifically addresses the effects of adverse childhood experiences and child poverty. The workgroup shall create interdepartmental awareness of issues relating to children's mental health. The workgroup shall develop interdepartmental strategies for helping improve children's mental health and shall develop strategies to promote community partnerships to help address issues of children's mental health. In carrying out its charge, the workgroup shall review a 2014 report by the children's defense fund on the state of America's children containing the most recent and reliable national and state-by-state data on many complex issues affecting children's health, including data on more than 7,000 homeless public school students in Iowa. The workgroup shall submit a report on the study with recommendations, including but not limited to recommendations relating to the creation and implementation of a children's mental health crisis response system to aid parents and other custodians in dealing with children experiencing a mental health crisis. The workgroup shall submit its report to the governor and the general assembly on or before December 15, 2015.

DIVISION XXIII PREVENTION OF DISABILITIES POLICY COUNCIL

Sec. 103. Section 225B.8, Code 2015, is amended to read as follows:

225B.8 Repeal.

1. This chapter is repealed July 1, 2015 2016.

2. Prior to June 30, 2016, the state mental health and disability services commission created in section 225C.5 and the Iowa developmental disabilities council appointed by the governor shall work with the prevention of disabilities policy council, the department of

human services, and the Iowa department of public health to provide for the transfer of the duties of the prevention of disabilities policy council to the state mental health and disability services commission, the Iowa developmental disabilities council, or the Iowa department of public health.

DIVISION XXIV
HOSPITAL AND LONG-TERM CARE PHARMACY PRACTICE —
PNEUMOCOCCAL VACCINES — BOARD OF PHARMACY RULES

Sec. 104. HOSPITAL AND LONG-TERM CARE PHARMACY PRACTICE — PNEUMOCOCCAL VACCINES — BOARD OF PHARMACY RULES. The board of pharmacy shall adopt rules pursuant to chapter 17A relating to hospital and long-term care pharmacy practices that allow, as authorized by federal law, in addition to influenza and pneumococcal polysaccharide vaccines, that a written or verbal patient-specific medication administration order shall not be required prior to administration to an adult patient of pneumococcal conjugate vaccine pursuant to physician-approved hospital or facility policy and after the patient has been assessed for contraindications.

DIVISION XXV
HEALTHY AND WELL KIDS IN IOWA PROGRAM — CONTINUED ENROLLMENT

Sec. 105. Section 514I.8, subsection 3, Code 2015, is amended to read as follows:

3. In accordance with the rules adopted by the board, a child may be determined to be presumptively eligible for the program pending a final eligibility determination. Following final determination of eligibility, a child shall be eligible for a twelve-month period. At the end of the twelve-month period, a review of the circumstances of the child's family shall be conducted to establish eligibility and cost sharing for the subsequent twelve-month period. Pending such review of the circumstances of the child's family, the child shall continue to be eligible for and remain enrolled in the same plan if the family complies with requirements to provide information and verification of income, otherwise cooperates in the annual review process, and submits the completed review form and any information necessary to establish continued eligibility in a timely manner in accordance with administrative rules.

DIVISION XXVI
PERSONNEL SETTLEMENT AGREEMENT PAYMENTS

Sec. 106. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As a condition of the appropriations in this 2015 Act, the moneys appropriated and any other moneys available shall not be used for payment of a personnel settlement agreement that contains a confidentiality provision intended to prevent public disclosure of the agreement or any terms of the agreement.

DIVISION XXVII
MEDICAID REIMBURSEMENT — PSYCHOLOGISTS

Sec. 107. Section 249A.15, Code 2015, is amended to read as follows:

249A.15 Licensed psychologists eligible for payment.

The department shall adopt rules pursuant to chapter 17A entitling psychologists who are licensed pursuant to chapter 154B and psychologists who are licensed in the state where the services are provided and have a doctorate degree in psychology, have had at least two years of clinical experience in a recognized health setting, or have met the standards of a national register of health service providers in psychology, to payment for services provided to recipients of medical assistance, subject to limitations and exclusions the department finds necessary on the basis of federal laws and regulations and of funds available for the medical assistance program.

DIVISION XXVIII
HOME MODIFICATION ASSISTANCE PROGRAM PLAN

Sec. 108. HOME MODIFICATION ASSISTANCE PROGRAM PLAN.

1. The aging and disability resource center and the mental health and disability services commission shall jointly develop a plan for a home modification assistance program to provide grants and individual income tax credits to assist with expenses related to the making of permanent home modifications that permit individuals with a disability in this state to remain in their homes and age in place. The plan shall include the following components:

a. The plan shall develop criteria and procedures for establishing eligibility of individuals with a disability under the program, and in doing so the plan shall utilize the definition of disability found in 42 U.S.C. §12102 and shall require appropriate certifications from the primary health care providers of individuals with a disability.

b. The plan shall establish criteria for determining the type of home modification expenses that will be eligible for a grant or tax credit award under the program.

c. The plan shall develop criteria and procedures for receiving grants and tax credits under the program, and shall determine the maximum amount of grants and tax credits that may be provided to an individual with a disability under the program.

d. The plan shall provide that individuals with a disability shall utilize any funding for home modification under the Medicaid program to the fullest extent possible before becoming eligible to participate in the home modification assistance program to ensure that the program's grants and tax credits do not supplant available Medicaid program resources.

e. The plan shall provide that grants under the program shall be available to individuals with a disability with annual incomes that do not exceed 250 percent of the federal poverty level, and that individual income tax credits under the program shall be available to individuals with a disability with annual incomes exceeding 250 percent but not exceeding 450 percent of the federal poverty level.

f. The plan shall avoid placing unrealistic expectations and overly burdensome requirements on individuals with a disability and their families, particularly those living in rural areas.

2. In developing the plan for the home modification assistance program, the aging and disability resource center and the mental health and disability services commission shall seek input from and consult with the department on aging, the department of human services, the department of revenue, and other interested public and private stakeholders.

3. The aging and disability resource center and the mental health and disability services commission shall submit the plan on or before December 15, 2015, to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, to the chairpersons and ranking members of the senate and house standing committees on human resources, to the chairpersons and ranking members of the senate and house standing committees on ways and means, and to the governor.

DIVISION XXIX
MEDICAID PROGRAM ASSET VERIFICATION

Sec. 109. MEDICAID PROGRAM — ASSET VERIFICATION. The department of human services shall issue a request for proposals to contract with a third-party vendor to establish an electronic asset verification system for the purposes of compliance with 42 U.S.C. §1396w requiring determination or redetermination of the eligibility of an individual who is an applicant for or recipient of medical assistance under the Medicaid state plan on the basis of being aged, blind, or disabled in accordance with 42 U.S.C. §1396w. The third-party vendor selected shall be able to demonstrate in writing its current relationships or contracts with financial institutions in the state and nationally. Participation by financial institutions in providing account balances for asset verification shall remain voluntary.

Sec. 110. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

*DIVISION XXX
REFUGEE FAMILY SUPPORT SERVICES — APPROPRIATION

Sec. 111. REFUGEE FAMILY SUPPORT SERVICES PILOT PROGRAM.

1. The bureau of refugee services within the department of human services shall establish, promote, and administer a refugee family support services pilot program for purposes of providing a grant to a state, local, or community organization working with refugee populations to contract with and train multiple refugees to act as refugee community navigators.

2. An organization awarded a grant pursuant to this section shall recruit and train multiple refugee community navigators to educate and provide direct assistance to their respective refugee communities so the refugee communities can successfully access and utilize existing community resources and services.

3. The refugee community navigators shall train other refugee community members and shall offer home-based, peer-group learning sessions about resources in the community.

4. A grant awarded pursuant to this section shall be used for employment costs of a program manager and community navigator coordinator, and contract and stipend costs for multiple refugee community navigators for each organization.

5. The bureau of refugee services shall award one grant to a state, local, or community organization through a competitive application process. The bureau shall provide moneys over a three-year period to an organization awarded a grant.

6. A state, local, or community organization awarded a grant pursuant to this section shall provide the bureau with annual progress reports. The bureau of refugee services shall present a report of the program goals and outcomes to the general assembly.

7. The bureau of refugee services shall conduct a comprehensive review of the refugee family support services pilot program and shall, by December 31, 2017, submit a report of its review, as well as any recommendations and cost projections of its recommendations to the governor and the general assembly.

8. The bureau of refugee services may expend program moneys for administrative expenses as provided by law.

Sec. 112. REFUGEE FAMILY SUPPORT SERVICES PILOT PROGRAM APPROPRIATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For a pilot project pursuant to the refugee family support services pilot project program created in this division of this Act in a county with a population over 350,000 as determined by the 2010 federal decennial census:

..... \$ 100,000

The amount appropriated under this section shall not be reduced for administrative or other costs prior to distribution.

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.*

DIVISION XXXI
PHYSICIAN ASSISTANT SUPERVISION

Sec. 113. ADMINISTRATIVE RULES — PHYSICIAN SUPERVISION OF PHYSICIAN ASSISTANTS. The boards of medicine and physician assistants shall jointly adopt rules pursuant to chapter 17A to establish specific minimum standards or a definition of supervision for appropriate supervision of physician assistants by physicians. The boards shall jointly file notices of intended action pursuant to section 17A.4, subsection 1, paragraph “a”, on or before February 1, 2016, for adoption of such rules.

* Item veto; see message at end of the Act

*DIVISION XXXII
QUALITY ASSURANCE ASSESSMENT

Sec. 114. Section 249L.3, subsection 1, paragraph d, Code 2015, is amended to read as follows:

d. ~~The aggregate quality assurance assessments imposed under this chapter shall not exceed the lower of be established at three percent of the aggregate non-Medicare revenues of a nursing facility or the maximum amount that may be assessed pursuant to the indirect guarantee threshold as established pursuant to 42 C.F.R. §433.68(f)(3)(i), and shall be stated on a per-patient-day basis. The aggregate quality assurance assessment shall be recalibrated only concurrently with any nursing facility rebasing.*~~

DIVISION XXXIII
HOSPITAL ASSESSMENT

Sec. 115. HOSPITAL HEALTH CARE ACCESS ASSESSMENT PROGRAM — TRANSITION TO MANAGED CARE.

1. The department of human services shall include in any Medicaid managed care contract entered into on or after July 1, 2015, a mechanism by which the capitated payment received by the managed care contractor reflects the amount necessary to continue reimbursement of participating hospitals by managed care contractors in accordance with the provisions of chapter 249M. Such reimbursement shall preferably be provided through lump sum payments to participating hospitals. Notwithstanding any provisions of chapter 249M to the contrary, the department may make administrative modifications to the hospital health care access assessment program to comply with this section. The department of human services shall work with participating providers, including health systems and the Iowa hospital association, to effectuate this section.

2. The department of human services shall submit recommendations for any changes in statute or rules regarding the hospital health care access assessment program necessitated by the transition to managed care to the individuals identified in this Act for submission of reports by December 15, 2015.

DIVISION XXXIV
BOARD OF RESPIRATORY CARE AND POLYSOMNOGRAPHY

Sec. 116. BOARD OF RESPIRATORY CARE AND POLYSOMNOGRAPHY. If funding is appropriated for a fee-supported board of respiratory care and polysomnography to administer chapter 148G, as enacted in 2015 Iowa Acts, House File 203,⁴ the fee-supported model shall provide for repayment of the funds appropriated to the state by June 30, 2018.

DIVISION XXXV
FOOD ASSISTANCE PROGRAM BONUS

Sec. 117. FOOD ASSISTANCE PROGRAM BONUS. Any funds available to the department of human services during the fiscal year beginning July 1, 2015, received from the United States department of agriculture's food and nutrition service for achieving a low case and procedural error rate and for ranking third in the nation on certain case-related measures under the supplemental nutrition assistance program, shall be used by the department for the purposes of the appropriation in this Act for the same fiscal year for the medical assistance program.

DIVISION XXXVI
MEDICAL ASSISTANCE SPECIAL NEEDS TRUST

Sec. 118. Section 633C.1, subsection 8, Code 2015, is amended by striking the subsection.

* Item veto; see message at end of the Act

⁴ Chapter 70 herein

Sec. 119. Section 633C.2, Code 2015, is amended by striking the section and inserting in lieu thereof the following:

633C.2 Disposition of medical assistance special needs trusts.

Any income or assets added to or received by and any income or principal retained in a medical assistance special needs trust shall be used in accordance with a standard that is no more restrictive than specified under federal law. All distributions from a medical assistance special needs trust shall be for the sole benefit of the beneficiary to enhance the quality of life of the beneficiary, and the trustee shall have sole discretion regarding such disbursements to ensure compliance with beneficiary eligibility requirements. Any distinct disbursement in excess of one thousand dollars shall be subject to review by the district court sitting in probate. The department shall adopt rules pursuant to chapter 17A for the establishment and disposition of medical assistance special needs trusts in accordance with this section.

Sec. 120. Section 633C.4, subsection 2, Code 2015, is amended to read as follows:

2. The trustee of a medical assistance income trust or a medical assistance special needs trust is a fiduciary for purposes of chapter 633A and, in the exercise of the trustee’s fiduciary duties, the state shall be considered a beneficiary of the trust. Regardless of the terms of the trust, the trustee shall not take any action that is not prudent in light of the state’s interest in the trust. Notwithstanding any provision of chapter 633A to the contrary, the trustee of a medical assistance special needs trust shall be subject to the jurisdiction of the district court sitting in probate and shall submit an accounting of the disposition of the trust to the district court sitting in probate on an annual basis.

DIVISION XXXVII
DEPARTMENT ON AGING — FY 2016-2017

Sec. 121. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa’s aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 5,699,866
..... FTEs 31.00

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$139,973 is transferred to the economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

3. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds by area agencies on aging that require compliance with both state and federal laws, rules, and regulations, including but not limited to all of the following:

(1) Requiring that expenditures are incurred only for goods or services received or performed prior to the end of the fiscal period designated for use of the funds.

(2) Prohibiting prepayment for goods or services not received or performed prior to the end of the fiscal period designated for use of the funds.

(3) Prohibiting the prepayment for goods or services not defined specifically by good or service, time period, or recipient.

(4) Prohibiting the establishment of accounts from which future goods or services which are not defined specifically by good or service, time period, or recipient, may be purchased.

b. The procedures shall provide that if any funds are expended in a manner that is not in compliance with the procedures and applicable federal and state laws, rules, and regulations, and are subsequently subject to repayment, the area agency on aging expending such funds in contravention of such procedures, laws, rules and regulations, not the state, shall be liable for such repayment.

4. Of the funds appropriated in this section, at least \$125,000 shall be used to fund the unmet needs identified through Iowa’s aging and disability resource center network.

5. Of the funds appropriated in this section, at least \$300,000 shall be used to fund home and community-based services through the area agencies on aging that enable older individuals to avoid more costly utilization of residential or institutional services and remain in their own homes.

6. Of the funds appropriated in this section, \$406,833 shall be used for the purposes of chapter 231E and section 231.56A, of which \$144,333 shall be used for the office of substitute decision maker pursuant to chapter 231E, and the remainder shall be distributed equally to the area agencies on aging to administer the prevention of elder abuse, neglect, and exploitation program pursuant to section 231.56A, in accordance with the requirements of the federal Older Americans Act of 1965, 42 U.S.C. §3001 et seq., as amended.

DIVISION XXXVIII
OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2016-2017

Sec. 122. OFFICE OF LONG-TERM CARE OMBUDSMAN.

1. There is appropriated from the general fund of the state to the office of long-term care ombudsman for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	638,391
.....	FTEs	17.00

2. Of the funds appropriated in this section, \$110,000 shall be used to continue to provide for additional local long-term care ombudsmen.

DIVISION XXXIX
DEPARTMENT OF PUBLIC HEALTH — FY 2016-2017

Sec. 123. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of the use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

.....	\$	13,631,845
.....	FTEs	10.00

a. (1) Of the funds appropriated in this subsection, \$2,624,180 shall be used for the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A. The commission on tobacco use prevention and control established pursuant to section 142A.3 shall advise the director of public health in prioritizing funding needs and the allocation of moneys appropriated for the programs and initiatives. Activities of the programs and initiatives shall be in alignment with the United States centers for disease control and prevention best practices for comprehensive tobacco control programs that include the goals of preventing youth initiation of tobacco usage, reducing exposure to secondhand smoke, and promotion of tobacco cessation. To maximize

resources, the department shall determine if third-party sources are available to instead provide nicotine replacement products to an applicant prior to provision of such products to an applicant under the initiative. The department shall track and report to the individuals specified in this Act, any reduction in the provision of nicotine replacement products realized by the initiative through implementation of the prerequisite screening.

(2) (a) Of the funds allocated in this paragraph “a”, \$226,533 is transferred to the alcoholic beverages division of the department of commerce for enforcement of tobacco laws, regulations, and ordinances and to engage in tobacco control activities approved by the division of tobacco use prevention and control of the department of public health as specified in the memorandum of understanding entered into between the divisions.

(b) For the fiscal year beginning July 1, 2016, and ending June 30, 2017, the terms of the memorandum of understanding, entered into between the division of tobacco use prevention and control of the department of public health and the alcoholic beverages division of the department of commerce, governing compliance checks conducted to ensure licensed retail tobacco outlet conformity with tobacco laws, regulations, and ordinances relating to persons under eighteen years of age, shall continue to restrict the number of such checks to one check per retail outlet, and one additional check for any retail outlet found to be in violation during the first check.

b. Of the funds appropriated in this subsection, \$11,007,664 shall be used for problem gambling and substance-related disorder prevention, treatment, and recovery services, including a 24-hour helpline, public information resources, professional training, and program evaluation.

(1) Of the funds allocated in this paragraph “b”, \$9,451,857 shall be used for substance-related disorder prevention and treatment.

(a) Of the funds allocated in this subparagraph (1), \$449,650 shall be used for the public purpose of a grant program to provide substance-related disorder prevention programming for children.

(i) Of the funds allocated in this subparagraph division (a), \$213,769 shall be used for grant funding for organizations that provide programming for children by utilizing mentors. Programs approved for such grants shall be certified or must be certified within six months of receiving the grant award by the Iowa commission on volunteer services as utilizing the standards for effective practice for mentoring programs.

(ii) Of the funds allocated in this subparagraph division (a), \$213,419 shall be used for grant funding for organizations providing programming that includes youth development and leadership services. The programs shall also be recognized as being programs that are scientifically based with evidence of their effectiveness in reducing substance-related disorders in children.

(iii) The department of public health shall utilize a request for proposals process to implement the grant program.

(iv) All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

(v) Of the funds allocated in this subparagraph division (a), up to \$22,461 may be used to administer substance-related disorder prevention grants and for program evaluations.

(b) Of the funds allocated in this subparagraph (1), \$136,301 shall be used for culturally competent substance-related disorder treatment pilot projects.

(i) The department shall utilize the amount allocated in this subparagraph division (b) for at least three pilot projects to provide culturally competent substance-related disorder treatment in various areas of the state. Each pilot project shall target a particular ethnic minority population. The populations targeted shall include but are not limited to African American, Asian, and Latino.

(ii) The pilot project requirements shall provide for documentation or other means to ensure access to the cultural competence approach used by a pilot project so that such approach can be replicated and improved upon in successor programs.

(2) Of the funds allocated in this paragraph “b”, up to \$1,555,807 may be used for problem gambling prevention, treatment, and recovery services.

(a) Of the funds allocated in this subparagraph (2), \$1,286,881 shall be used for problem gambling prevention and treatment.

(b) Of the funds allocated in this subparagraph (2), up to \$218,926 may be used for a 24-hour helpline, public information resources, professional training, and program evaluation.

(c) Of the funds allocated in this subparagraph (2), up to \$50,000 may be used for the licensing of problem gambling treatment programs.

(3) It is the intent of the general assembly that from the moneys allocated in this paragraph “b”, persons with a dual diagnosis of substance-related disorder and gambling addiction shall be given priority in treatment services.

c. Notwithstanding any provision of law to the contrary, to standardize the availability, delivery, cost of delivery, and accountability of problem gambling and substance-related disorder treatment services statewide, the department shall continue implementation of a process to create a system for delivery of treatment services in accordance with the requirements specified in [2008 Iowa Acts, chapter 1187, section 3, subsection 4](#). To ensure the system provides a continuum of treatment services that best meets the needs of Iowans, the problem gambling and substance-related disorder treatment services in any area may be provided either by a single agency or by separate agencies submitting a joint proposal.

(1) The system for delivery of substance-related disorder and problem gambling treatment shall include problem gambling prevention.

(2) The system for delivery of substance-related disorder and problem gambling treatment shall include substance-related disorder prevention by July 1, 2017.

(3) Of the funds allocated in paragraph “b”, the department may use up to \$50,000 for administrative costs to continue developing and implementing the process in accordance with this paragraph “c”.

d. The requirement of section 123.53, subsection 5, is met by the appropriations and allocations made in this division of this Act for purposes of substance-related disorder treatment and addictive disorders for the fiscal year beginning July 1, 2016.

e. The department of public health shall work with all other departments that fund substance-related disorder prevention and treatment services and all such departments shall, to the extent necessary, collectively meet the state maintenance of effort requirements for expenditures for substance-related disorder services as required under the federal substance-related disorder prevention and treatment block grant.

2. HEALTHY CHILDREN AND FAMILIES

For promoting the optimum health status for children, adolescents from birth through 21 years of age, and families, and for not more than the following full-time equivalent positions:

.....	\$	2,308,771
.....	FTEs	12.00

a. Of the funds appropriated in this subsection, not more than \$367,420 shall be used for the healthy opportunities for parents to experience success (HOPES)-healthy families Iowa (HFI) program established pursuant to section 135.106. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2016.

b. In order to implement the legislative intent stated in sections 135.106 and 256I.9, that priority for home visitation program funding be given to programs using evidence-based or promising models for home visitation, it is the intent of the general assembly to phase in the funding priority in accordance with [2012 Iowa Acts, chapter 1133, section 2, subsection 2](#), paragraph “0b”.

c. Of the funds appropriated in this subsection, \$1,099,414 shall be used for continuation of the department’s initiative to provide for adequate developmental surveillance and screening during a child’s first five years. The funds shall be used first to fully fund the current sites to ensure that the sites are fully operational, with the remaining funds to be used for expansion to additional sites. The full implementation and expansion shall include enhancing the scope of the program through collaboration with the child health specialty clinics to promote healthy child development through early identification and response to both biomedical and social determinants of healthy development; by monitoring child health metrics to inform practice, document long-term health impacts and savings, and provide for continuous improvement through training, education, and evaluation; and by providing for practitioner consultation particularly for children with behavioral conditions

and needs. The department of public health shall also collaborate with the Iowa Medicaid enterprise and the child health specialty clinics to integrate the activities of the first five initiative into the establishment of patient-centered medical homes, community utilities, accountable care organizations, and other integrated care models developed to improve health quality and population health while reducing health care costs. To the maximum extent possible, funding allocated in this paragraph shall be utilized as matching funds for medical assistance program reimbursement.

d. Of the funds appropriated in this subsection, \$37,320 shall be distributed to a statewide dental carrier to provide funds to continue the donated dental services program patterned after the projects developed by the lifeline network to provide dental services to indigent individuals who are elderly or with disabilities.

e. Of the funds appropriated in this subsection, \$55,997 shall be used for childhood obesity prevention.

f. Of the funds appropriated in this subsection, \$81,384 shall be used to provide audiological services and hearing aids for children. The department may enter into a contract to administer this paragraph.

g. Of the funds appropriated in this subsection, \$12,500 is transferred to the university of Iowa college of dentistry for provision of primary dental services to children. State funds shall be matched on a dollar-for-dollar basis. The university of Iowa college of dentistry shall coordinate efforts with the department of public health, bureau of oral and health delivery systems, to provide dental care to underserved populations throughout the state.

h. Of the funds appropriated in this subsection, \$25,000 shall be used to address youth suicide prevention.

i. Of the funds appropriated in this subsection, \$25,000 shall be used to support the Iowa effort to address the survey of children who experience adverse childhood experiences known as ACEs.

j. The department of public health shall continue to administer the program to assist parents in this state with costs resulting from the death of a child in accordance with the provisions of [2014 Iowa Acts, chapter 1140, section 22, subsection 12](#).

3. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

.....	\$	2,477,846
.....	FTEs	5.00

a. Of the funds appropriated in this subsection, \$79,966 shall be used for grants to individual patients who have an inherited metabolic disorder to assist with the costs of medically necessary foods and formula.

b. Of the funds appropriated in this subsection, \$445,822 shall be used for the brain injury services program pursuant to section 135.22B, including for continuation of the contracts for resource facilitator services in accordance with section 135.22B, subsection 9, and to enhance brain injury training and recruitment of service providers on a statewide basis. Of the amount allocated in this paragraph, \$47,500 shall be used to fund one full-time equivalent position to serve as the state brain injury services program manager.

c. Of the funds appropriated in this subsection, \$273,991 shall be used as additional funding to leverage federal funding through the federal Ryan White Care Act, Tit. II, AIDS drug assistance program supplemental drug treatment grants.

d. Of the funds appropriated in this subsection, \$74,911 shall be used for the public purpose of continuing to contract with an existing national-affiliated organization to provide education, client-centered programs, and client and family support for people living with epilepsy and their families. The amount allocated in this paragraph in excess of \$50,000 shall be matched dollar-for-dollar by the organization specified.

e. Of the funds appropriated in this subsection, \$392,557 shall be used for child health specialty clinics.

f. Of the funds appropriated in this subsection, \$200,000 shall be used by the regional autism assistance program established pursuant to section 256.35, and administered by the child health specialty clinic located at the university of Iowa hospitals and clinics. The funds shall be used to enhance interagency collaboration and coordination of educational,

medical, and other human services for persons with autism, their families, and providers of services, including delivering regionalized services of care coordination, family navigation, and integration of services through the statewide system of regional child health specialty clinics and fulfilling other requirements as specified in chapter 225D. The university of Iowa shall not receive funds allocated under this paragraph for indirect costs associated with the regional autism assistance program.

g. Of the funds appropriated in this subsection, \$285,496 shall be used for the comprehensive cancer control program to reduce the burden of cancer in Iowa through prevention, early detection, effective treatment, and ensuring quality of life. Of the funds allocated in this paragraph “g”, \$75,000 shall be used to support a melanoma research symposium, a melanoma biorepository and registry, basic and translational melanoma research, and clinical trials.

h. Of the funds appropriated in this subsection, \$63,225 shall be used for cervical and colon cancer screening, and \$150,000 shall be used to enhance the capacity of the cervical cancer screening program to include provision of recommended prevention and early detection measures to a broader range of low-income women.

i. Of the funds appropriated in this subsection, \$263,347 shall be used for the center for congenital and inherited disorders.

j. Of the funds appropriated in this subsection, \$64,705 shall be used for the prescription drug donation repository program created in chapter 135M.

k. Of the funds appropriated in this subsection, \$107,631 shall be used by the department of public health for reform-related activities, including but not limited to facilitation of communication to stakeholders at the state and local level, administering the patient-centered health advisory council pursuant to section 135.159, and involvement in health care system innovation activities occurring across the state.

l. Of the funds appropriated in this subsection, \$12,500 shall be used for administration of chapter 124D, the medical cannabidiol Act.

4. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

.....	\$	4,410,667
.....	FTEs	11.00

a. Of the funds appropriated in this subsection, \$49,707 is allocated for continuation of the child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with early childhood Iowa areas. The program shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph “a”. The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on service provided; and the continuing needs of the program.

b. Of the funds appropriated in this subsection, \$55,328 is allocated for continuation of an initiative implemented at the university of Iowa and \$49,952 is allocated for continuation of an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the department of public health, and the mental health and disability services commission to address the focus of the initiatives.

c. Of the funds appropriated in this subsection, \$582,314 shall be used for essential public health services that promote healthy aging throughout one’s lifespan, contracted through a formula for local boards of health, to enhance health promotion and disease prevention services.

d. Of the funds appropriated in this section, \$49,643 shall be deposited in the governmental public health system fund created in section 135A.8 to be used for the purposes of the fund.

e. Of the funds appropriated in this subsection, \$52,724 shall be used to continue to address the shortage of mental health professionals in the state.

f. Of the funds appropriated in this subsection, \$25,000 shall be used for a grant to a statewide association of psychologists that is affiliated with the American psychological

association to be used for continuation of a program to rotate intern psychologists in placements in urban and rural mental health professional shortage areas, as defined in section 135.180.

g. (1) Of the funds appropriated in this subsection, \$1,441,484 shall be allocated as a grant to the Iowa primary care association to be used pursuant to section 135.153 for the statewide coordination of the Iowa collaborative safety net provider network. Coordination of the network shall focus on increasing access by underserved populations to health care services, increasing integration of the health system and collaboration across the continuum of care with a focus on safety net services, and enhancing the Iowa collaborative safety net provider network’s communication and education efforts. The amount allocated as a grant under this subparagraph (1) shall be used as follows to support the Iowa collaborative safety net provider network goals of increased access, health system integration, and engagement:

(a) For distribution to safety net partners in the state that work to increase access of the underserved population to health services:

..... \$ 512,742

(i) Of the amount allocated in this subparagraph division (a), up to \$206,707 shall be distributed to the Iowa prescription drug corporation for continuation of the pharmaceutical infrastructure for safety net providers as described in [2007 Iowa Acts, chapter 218, section 108](#).

(ii) Of the amount allocated in this subparagraph division (a), up to \$174,161 shall be distributed to free clinics and free clinics of Iowa for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care.

(iii) Of the amount allocated in this subparagraph division (a), up to \$25,000 shall be distributed to the Iowa coalition against sexual assault to continue a training program for sexual assault response team (SART) members, including representatives of law enforcement, victim advocates, prosecutors, and certified medical personnel.

(iv) Of the amount allocated in this subparagraph division (a), up to \$106,874 shall be distributed to the Polk county medical society for continuation of the safety net provider patient access to a specialty health care initiative as described in [2007 Iowa Acts, chapter 218, section 109](#).

**(b) For distribution to safety net partners in the state that work to increase health system integration, care coordination, and collaboration across the continuum of care with a focus on safety net services. Such efforts shall include but not be limited to community care coordination team development and integration of medical and behavioral health services. Efforts shall also include working, in conjunction with the department of human services and the department of public health, to support Medicaid managed care efforts inclusive of the state innovation model through the continued development and implementation of community care coordination teams. Implementation of the community care coordination teams shall be accomplished through a statewide regionally based network that provides an integrated approach to health care delivery through care coordination that supports primary care providers and links patients with community resources necessary to empower patients in addressing biomedical and social determinants of health to improve health outcomes:*

..... \$ 836,099*

(c) For distribution to safety net partners in the state that work to serve as a resource for credible, accurate information on health care-related needs and services for vulnerable populations in the state including the Iowa association of rural health clinics for necessary infrastructure and service delivery transformation and the Iowa primary care association to support partner engagement, program management, and statewide coordination of the network:

..... \$ 92,642

(2) The amount allocated under this paragraph “g” shall not be reduced for administrative or other costs prior to distribution. The Iowa collaborative safety net provider network may continue to distribute funds allocated pursuant to this paragraph “g” through existing contracts or renewal of existing contracts.

* Item veto; see message at end of the Act

(3) For each goal of the Iowa collaborative safety net provider network, the Iowa primary care association shall submit a progress report to the individuals designated in this Act for submission of reports by December 15, 2016, including progress in developing and implementing the network, how the funds were distributed and used in developing and implementing the network, and the remaining needs identified to fully develop and implement the network.

h. Of the funds appropriated in this subsection, \$106,700 shall be used for continuation of the work of the direct care worker advisory council established pursuant to [2008 Iowa Acts, chapter 1188, section 69](#), in implementing the recommendations in the final report submitted by the advisory council to the governor and the general assembly in March 2012, including by continuing to develop, promote, and make available on a statewide basis the prepare-to-care core curriculum and its associated modules and specialties through various formats including online access, community colleges, and other venues; exploring new and maintaining existing specialties including but not limited to oral health and dementia care; supporting instructor training; and assessing and making recommendations concerning the Iowa care book and information technology systems and infrastructure uses and needs.

i. (1) Of the funds appropriated in this subsection, \$108,187 shall be used for allocation to an independent statewide direct care worker organization selected through a request for proposals process. The contract shall include performance and outcomes measures, and shall allow the contractor to use a portion of the funds received under the contract to collect data to determine results based on the performance and outcomes measures.

(2) Of the funds appropriated in this subsection, \$37,500 shall be used to provide scholarships or other forms of subsidization for direct care worker educational conferences, training, or outreach activities.

j. Of the funds appropriated in this subsection, the department may use up to \$29,087 for up to one full-time equivalent position to administer the volunteer health care provider program pursuant to section 135.24.

k. Of the funds appropriated in this subsection, \$50,000 shall be used for a matching dental education loan repayment program to be allocated to a dental nonprofit health service corporation to continue to develop the criteria and implement the loan repayment program.

l. Of the funds appropriated in this subsection, \$52,911 is transferred to the college student aid commission for deposit in the rural Iowa primary care trust fund created in section 261.113 to be used for the purposes of the fund.

m. Of the funds appropriated in this subsection, \$125,000 shall be used for the purposes of the Iowa donor registry as specified in section 142C.18.

n. Of the funds appropriated in this subsection, \$50,000 shall be used for continuation of a grant to a nationally affiliated volunteer eye organization that has an established program for children and adults and that is solely dedicated to preserving sight and preventing blindness through education, nationally certified vision screening and training, and community and patient service programs. The organization shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph "n". The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on services provided; and the continuing needs of the program.

o. Of the funds appropriated in this subsection, \$1,000,000 shall be deposited in the medical residency training account created in section 135.175, subsection 5, paragraph "a", and is appropriated from the account to the department of public health to be used for the purposes of the medical residency training state matching grants program as specified in section 135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.

p. Of the funds appropriated in this subsection, \$78,309 is allocated to the university of Iowa hospitals and clinics to continue a systematic and evidence-based practice collaborative care model to improve outcomes of mental health treatment in primary care settings in the

state. Funds shall be used to establish the collaborative care model in several primary care practices in rural and urban areas throughout the state, to provide staffing to administer the model, and to provide staff training and database management to track and manage patient outcomes.

5. HEALTHY AGING

To provide public health services that reduce risks and invest in promoting and protecting good health over the course of a lifetime with a priority given to older Iowans and vulnerable populations:

..... \$ 3,648,571

6. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

..... \$ 667,577

..... FTEs 4.00

7. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

..... \$ 2,169,595

..... FTEs 136.00

a. Of the funds appropriated in this subsection, not more than \$227,350 shall be credited to the emergency medical services fund created in section 135.25. Moneys in the emergency medical services fund are appropriated to the department to be used for the purposes of the fund.

b. Of the funds appropriated in this subsection, \$101,516 shall be used for sexual violence prevention programming through a statewide organization representing programs serving victims of sexual violence through the department’s sexual violence prevention program. The amount allocated in this paragraph “b” shall not be used to supplant funding administered for other sexual violence prevention or victims assistance programs.

c. Of the funds appropriated in this subsection, \$299,375 shall be used for the state poison control center. Pursuant to the directive under 2014 Iowa Acts, chapter 1140, section 102, the federal matching funds available to the state poison control center from the department of human services under the federal Children’s Health Insurance Program Reauthorization Act allotment shall be subject to the federal administrative cap rule of 10 percent applicable to funding provided under Tit. XXI of the federal Social Security Act and included within the department’s calculations of the cap.

d. Of the funds appropriated in this subsection, \$268,875 shall be used for childhood lead poisoning provisions.

8. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

..... \$ 427,536

..... FTEs 4.00

The university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section. The university of Iowa hospitals and clinics billings to the department shall be on at least a quarterly basis.

DIVISION XL
DEPARTMENT OF VETERANS AFFAIRS — FY 2016-2017

Sec. 124. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 600,273

..... FTEs 15.00

2. IOWA VETERANS HOME

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 3,797,498

a. The Iowa veterans home billings involving the department of human services shall be submitted to the department on at least a monthly basis.

b. If there is a change in the employer of employees providing services at the Iowa veterans home under a collective bargaining agreement, such employees and the agreement shall be continued by the successor employer as though there had not been a change in employer.

c. Within available resources and in conformance with associated state and federal program eligibility requirements, the Iowa veterans home may implement measures to provide financial assistance to or on behalf of veterans or their spouses who are participating in the community reentry program.

d. The Iowa veterans home expenditure report shall be submitted monthly to the legislative services agency.

3. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

..... \$ 1,250,000

Sec. 125. LIMITATION OF COUNTY COMMISSIONS OF VETERAN AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the standing appropriation in section 35A.16 for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the amount appropriated from the general fund of the state pursuant to that section for the following designated purposes shall not exceed the following amount:

For the county commissions of veteran affairs fund under section 35A.16:

..... \$ 495,000

DIVISION XLI
DEPARTMENT OF HUMAN SERVICES — FY 2016-2017

Sec. 126. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 2,568,497

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program and implementing family investment agreements in accordance with chapter 239B:

..... \$ 5,069,089

3. To be used for the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 1,449,490

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, unless such moneys are encumbered or obligated on or before September 30, 2016, the moneys shall revert.

4. For field operations:

* Item veto; see message at end of the Act

.....	\$ 15,648,116
5. For general administration:	
.....	\$ 1,872,000
6. For state child care assistance:	
.....	\$ 17,523,555
<p>a. Of the funds appropriated in this subsection, \$13,164,048 is transferred to the child care and development block grant appropriation made by the Eighty-sixth General Assembly, 2016 Session, for the federal fiscal year beginning October 1, 2016, and ending September 30, 2017. Of this amount, \$100,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.</p>	
<p>b. Any funds appropriated in this subsection remaining unallocated shall be used for state child care assistance payments for families who are employed including but not limited to individuals enrolled in the family investment program.</p>	
<p>7. For distribution to counties and regions through the property tax relief fund for mental health and disability services as provided in an appropriation made for this purpose:</p>	
.....	\$ 2,447,026
8. For child and family services:	
.....	\$ 16,042,215
9. For child abuse prevention grants:	
.....	\$ 62,500
<p>10. For pregnancy prevention grants on the condition that family planning services are funded:</p>	
.....	\$ 965,033
<p>Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2016, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2016, if the programs are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.</p>	
<p>11. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:</p>	
.....	\$ 518,593
<p>12. For the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system:</p>	
.....	\$ 3,327,440
<p>13. a. Notwithstanding any provision to the contrary, including but not limited to requirements in section 8.41 or provisions in 2015 or 2016 Iowa Acts regarding the receipt and appropriation of federal block grants, federal funds from the temporary assistance for needy families block grant received by the state and not otherwise appropriated in this section and remaining available for the fiscal year beginning July 1, 2016, are appropriated to the department of human services to the extent as may be necessary to be used in the following priority order: the family investment program, for state child care assistance program payments for families who are employed, and for the family investment program share of costs to develop and maintain a new, integrated eligibility determination system. The federal funds appropriated in this paragraph “a” shall be expended only after all other funds appropriated in subsection 1 for the assistance under the family investment program, in subsection 6 for child care assistance, or in subsection 12 for the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system, as applicable, have been expended. For the purposes of this subsection, the funds appropriated in subsection 6, paragraph “a”, for transfer to the</p>	

child care and development block grant appropriation are considered fully expended when the full amount has been transferred.

b. The department shall, on a quarterly basis, advise the legislative services agency and department of management of the amount of funds appropriated in this subsection that was expended in the prior quarter.

14. Of the amounts appropriated in this section, \$6,481,004 for the fiscal year beginning July 1, 2016, is transferred to the appropriation of the federal social services block grant made to the department of human services for that fiscal year.

15. For continuation of the program providing categorical eligibility for the food assistance program as specified for the program in the section of this division of this 2016 Act relating to the family investment program account:

..... \$ 12,500

16. The department may transfer funds allocated in this section to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

Sec. 127. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2016, and ending June 30, 2017, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes.

3. The department may transfer funds allocated in subsection 4 to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the family investment program services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2016, and ending June 30, 2017, are allocated as follows:

a. To be retained by the department of human services to be used for coordinating with the department of human rights to more effectively serve participants in FIP and other shared clients and to meet federal reporting requirements under the federal temporary assistance for needy families block grant:

..... \$ 10,000

b. To the department of human rights for staffing, administration, and implementation of the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 3,096,417

(1) Of the funds allocated for the family development and self-sufficiency grant program in this paragraph "b", not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) The department of human rights may continue to implement the family development and self-sufficiency grant program statewide during fiscal year 2016-2017.

(3) The department of human rights may engage in activities to strengthen and improve family outcomes measures and data collection systems under the family development and self-sufficiency grant program.

c. For the diversion subaccount of the FIP account:

..... \$ 407,500

A portion of the moneys allocated for the subaccount may be used for field operations, salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program. To the extent moneys allocated in this paragraph "c" are not deemed by the department to be necessary to support diversion activities, such moneys may be used for

other efforts intended to increase engagement by family investment program participants in work, education, or training activities.

d. For the food assistance employment and training program:

..... \$ 33,294

(1) The department shall apply the federal supplemental nutrition assistance program (SNAP) employment and training state plan in order to maximize to the fullest extent permitted by federal law the use of the 50 percent federal reimbursement provisions for the claiming of allowable federal reimbursement funds from the United States department of agriculture pursuant to the federal SNAP employment and training program for providing education, employment, and training services for eligible food assistance program participants, including but not limited to related dependent care and transportation expenses.

(2) The department shall continue the categorical federal food assistance program eligibility at 160 percent of the federal poverty level and continue to eliminate the asset test from eligibility requirements, consistent with federal food assistance program requirements. The department shall include as many food assistance households as is allowed by federal law. The eligibility provisions shall conform to all federal requirements including requirements addressing individuals who are incarcerated or otherwise ineligible.

e. For the JOBS program:

..... \$ 8,770,199

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation made in this division of this Act. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account, a portion may be used to increase recoveries, and a portion may be used to sustain cash flow in the child support payments account. If as a consequence of the appropriations and allocations made in this section the resulting amounts are insufficient to sustain cash assistance payments and meet federal maintenance of effort requirements, the department shall seek supplemental funding. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payments account.

6. The department may adopt emergency rules for the family investment, JOBS, food assistance, and medical assistance programs if necessary to comply with federal requirements.

Sec. 128. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 24,336,937

1. Of the funds appropriated in this section, \$3,701,110 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$1,656,927 is allocated for the family development and self-sufficiency grant program.

3. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2016, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

a. For the family investment program.

- b. For child care assistance.
- c. For child and family services.
- d. For field operations.
- e. For general administration.
- f. For distribution to counties or regions through the property tax relief fund for mental health and disability services as provided in an appropriation for this purpose.

This subsection shall not be construed to prohibit the use of existing state transfer authority for other purposes. The department shall report any transfers made pursuant to this subsection to the legislative services agency.

4. Of the funds appropriated in this section, \$97,839 shall be used for continuation of a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state.

5. Of the funds appropriated in this section, \$30,000 shall be used for the continuation of an unfunded pilot project, as defined in 441 IAC 100.1, relating to parental obligations, in which the child support recovery unit participates, to support the efforts of a nonprofit organization committed to strengthening the community through youth development, healthy living, and social responsibility headquartered in a county with a population over 350,000. The funds allocated in this subsection shall be used by the recipient organization to develop a larger community effort, through public and private partnerships, to support a broad-based multi-county fatherhood initiative that promotes payment of child support obligations, improved family relationships, and full-time employment.

6. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and field operations as necessary to administer this section and the overall family investment program.

Sec. 129. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	7,331,686
.....	FTEs	464.00

1. The department shall expend up to \$12,164, including federal financial participation, for the fiscal year beginning July 1, 2016, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

2. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation sites and mediation services.

3. The appropriation made to the department for child support recovery may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for cash flow management purposes the department may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

4. With the exception of the funding amount specified, the requirements established under [2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c"](#), subparagraph (3), shall be applicable to parental obligation pilot projects for the fiscal year beginning July 1, 2016, and ending June 30, 2017. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects, the rules shall remain in effect until June 30, 2017.

Sec. 130. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE — FY 2016-2017. Any funds remaining in the health care trust fund created in section 453A.35A for the fiscal year beginning July 1, 2016, and ending June 30, 2017, are appropriated to the department of human services to supplement the medical assistance program appropriations made in this division of this Act, for medical assistance reimbursement and associated costs, including program administration and costs associated with program implementation.

Sec. 131. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY 2016-2017. Any funds remaining in the Medicaid fraud fund created in section 249A.50 for the fiscal year beginning July 1, 2016, and ending June 30, 2017, are appropriated to the department of human services to supplement the medical assistance appropriations made in this division of this Act, for medical assistance reimbursement and associated costs, including program administration and costs associated with program implementation.

Sec. 132. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2016, except as otherwise expressly authorized by law, consistent with options under federal law and regulations, and contingent upon receipt of approval from the office of the governor of reimbursement for each abortion performed under the program:

..... \$ 651,595,782

1. Iowans support reducing the number of abortions performed in our state. Funds appropriated under this section shall not be used for abortions, unless otherwise authorized under this section.

2. The provisions of this section relating to abortions shall also apply to the Iowa health and wellness plan created pursuant to chapter 249N.

3. The department shall utilize not more than \$30,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in [1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409, subsection 6](#). Of the funds allocated in this subsection, not more than \$2,500 may be expended for administrative purposes.

4. Of the funds appropriated in this Act to the department of public health for addictive disorders, \$475,000 for the fiscal year beginning July 1, 2016, is transferred to the department of human services for an integrated substance-related disorder managed care system. The department shall not assume management of the substance-related disorder system in place of the managed care contractor unless such a change in approach is specifically authorized in law. The departments of human services and public health shall work together to maintain the level of mental health and substance-related disorder treatment services provided by the managed care contractor through the Iowa plan for behavioral health. Each department shall take the steps necessary to continue the federal waivers as necessary to maintain the level of services.

5. a. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnostic, and treatment program under the medical assistance program due to becoming 21 years of age who have been approved for additional assistance through the department’s exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy provisions.

b. Of the funds appropriated in this section, \$50,000 shall be used for participation in one or more pilot projects operated by a private provider to allow the individual or individuals to receive service in the community in accordance with principles established in *Olmstead v. L.C.*, 527 U.S. 581 (1999), for the purpose of providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnostic, and treatment program under the medical

assistance program due to becoming 21 years of age who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to the policy provisions.

6. Of the funds appropriated in this section, up to \$1,525,041 may be transferred to the field operations or general administration appropriations in this division of this Act for operational costs associated with Part D of the federal Medicare Prescription Drug Improvement and Modernization Act of 2003, Pub. L. No. 108-173.

7. Of the funds appropriated in this section, up to \$221,050 may be transferred to the appropriation in this division of this Act for medical contracts to be used for clinical assessment services and prior authorization of services.

8. A portion of the funds appropriated in this section may be transferred to the appropriations in this division of this Act for general administration, medical contracts, the children's health insurance program, or field operations to be used for the state match cost to comply with the payment error rate measurement (PERM) program for both the medical assistance and children's health insurance programs as developed by the centers for Medicare and Medicaid services of the United States department of health and human services to comply with the federal Improper Payments Information Act of 2002, Pub. L. No. 107-300.

9. The department shall continue to implement the recommendations of the assuring better child health and development initiative II (ABCDII) clinical panel to the Iowa early and periodic screening, diagnostic, and treatment services healthy mental development collaborative board regarding changes to billing procedures, codes, and eligible service providers.

10. Of the funds appropriated in this section, a sufficient amount is allocated to supplement the incomes of residents of nursing facilities, intermediate care facilities for persons with mental illness, and intermediate care facilities for persons with an intellectual disability, with incomes of less than \$50 in the amount necessary for the residents to receive a personal needs allowance of \$50 per month pursuant to section 249A.30A.

11. Of the funds appropriated in this section, the following amounts are transferred to the appropriations made in this division of this Act for the state mental health institutes:

- a. Cherokee mental health institute \$ 4,549,212
- b. Independence mental health institute \$ 4,522,947

12. a. Of the funds appropriated in this section, \$2,041,939 is allocated for the state match for a disproportionate share hospital payment of \$4,544,712 to hospitals that meet both of the conditions specified in subparagraphs (1) and (2). In addition, the hospitals that meet the conditions specified shall either certify public expenditures or transfer to the medical assistance program an amount equal to provide the nonfederal share for a disproportionate share hospital payment of \$8,772,003. The hospitals that meet the conditions specified shall receive and retain 100 percent of the total disproportionate share hospital payment of \$13,316,715.

(1) The hospital qualifies for disproportionate share and graduate medical education payments.

(2) The hospital is an Iowa state-owned hospital with more than 500 beds and eight or more distinct residency specialty or subspecialty programs recognized by the American college of graduate medical education.

b. Distribution of the disproportionate share payments shall be made on a monthly basis. The total amount of disproportionate share payments including graduate medical education, enhanced disproportionate share, and Iowa state-owned teaching hospital payments shall not exceed the amount of the state's allotment under Pub. L. No. 102-234. In addition, the total amount of all disproportionate share payments shall not exceed the hospital-specific disproportionate share limits under Pub. L. No. 103-66.

c. The university of Iowa hospitals and clinics shall either certify public expenditures or transfer to the appropriations made in this division of this Act for medical assistance an amount equal to provide the nonfederal share for increased medical assistance payments for inpatient and outpatient hospital services of \$4,950,000. The university of Iowa hospitals and clinics shall receive and retain 100 percent of the total increase in medical assistance payments.

d. Payment methodologies utilized for disproportionate share hospitals and graduate medical education, and other supplemental payments under the Medicaid program may be adjusted or converted to other methodologies or payment types to provide these payments through Medicaid managed care.⁵ The department of human services shall obtain approval from the centers for Medicare and Medicaid services of the United States department of health and human services prior to implementation of any such adjusted or converted methodologies or payment types.

13. One hundred percent of the nonfederal share of payments to area education agencies that are medical assistance providers for medical assistance-covered services provided to medical assistance-covered children, shall be made from the appropriation made in this section.

14. Any new or renewed contract entered into by the department with a third party to administer services under the medical assistance program shall provide that any interest earned on payments from the state during the state fiscal year shall be remitted to the department and treated as recoveries to offset the costs of the medical assistance program.

15. A portion of the funds appropriated in this section may be transferred to the appropriation in this division of this Act for medical contracts to be used for administrative activities associated with the money follows the person demonstration project.

16. Of the funds appropriated in this section, \$174,505 shall be used for the administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes.

17. a. The department may increase the amounts allocated for salaries, support, maintenance, and miscellaneous purposes associated with the medical assistance program, as necessary, to implement cost containment strategies. The department shall report any such increase to the legislative services agency and the department of management.

b. If the savings to the medical assistance program from cost containment efforts exceed the cost for the fiscal year beginning July 1, 2016, the department may transfer any savings generated for the fiscal year due to medical assistance program cost containment efforts to the appropriation made in this division of this Act for medical contracts or general administration to defray the increased contract costs associated with implementing such efforts.

**c. The department of human services shall not implement the cost containment measures to provide uniform rates of \$.575 per mile based on the 2015 Internal Revenue Service mileage rate and of \$9.29, the current statewide average, per one-way trip for Medicaid program home and community-based services waivers as recommended by the governor for the fiscal year beginning July 1, 2016.*

*d. The department shall report the implementation of any cost containment strategies under this subsection to the individuals specified in this Act for submission of reports on a quarterly basis.**

18. For the fiscal year beginning July 1, 2016, and ending June 30, 2017, the replacement generation tax revenues required to be deposited in the property tax relief fund pursuant to section 437A.8, subsection 4, paragraph “d”, and section 437A.15, subsection 3, paragraph “f”, shall instead be credited to and supplement the appropriation made in this section and used for the allocations made in this section.

19. The department shall continue to administer the state balancing incentive payments program as specified in [2012 Iowa Acts, chapter 1133, section 14](#).

20. a. Of the funds appropriated in this section, up to \$25,000 may be transferred by the department to the appropriation made in this division of this Act to the department for the same fiscal year for general administration to be used for associated administrative expenses and for not more than one full-time equivalent position, in addition to those authorized for the same fiscal year, to be assigned to implementing the project.

b. Of the funds appropriated in this section, up to \$200,000 may be transferred by the department to the appropriation made to the department in this division of this Act for the same fiscal year for Medicaid program-related general administration planning and implementation activities. The funds may be used for contracts or for personnel in addition

⁵ See chapter 138, §23 herein

* Item veto; see message at end of the Act

to the amounts appropriated for and the positions authorized for general administration for the fiscal year.

c. Of the funds appropriated in this section, up to \$1,500,000 may be transferred by the department to the appropriations made in this division of this Act for the same fiscal year for general administration or medical contracts to be used to support the development and implementation of standardized assessment tools for persons with mental illness, an intellectual disability, a developmental disability, or a brain injury.

21. Of the funds appropriated in this section, \$125,000 shall be used for lodging expenses associated with care provided at the university of Iowa hospitals and clinics for patients with cancer whose travel distance is 30 miles or more and whose income is at or below 200 percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services. The department of human services shall establish the maximum number of overnight stays and the maximum rate reimbursed for overnight lodging, which may be based on the state employee rate established by the department of administrative services. The funds allocated in this subsection shall not be used as nonfederal share matching funds.

22. The number of home and community-based services waiver slots available during the fiscal year beginning July 1, 2016, shall not be reduced below the number of such slots available on January 1, 2015.

Sec. 133. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 9,806,982

1. The department of inspections and appeals shall provide all state matching funds for survey and certification activities performed by the department of inspections and appeals. The department of human services is solely responsible for distributing the federal matching funds for such activities.

2. Of the funds appropriated in this section, \$25,000 shall be used for continuation of home and community-based services waiver quality assurance programs, including the review and streamlining of processes and policies related to oversight and quality management to meet state and federal requirements.

3. Of the amount appropriated in this section, up to \$100,000 may be transferred to the appropriation for general administration in this division of this Act to be used for additional full-time equivalent positions in the development of key health initiatives such as cost containment, development and oversight of managed care programs, and development of health strategies targeted toward improved quality and reduced costs in the Medicaid program.

4. Of the funds appropriated in this section, \$500,000 shall be used for planning and development, in cooperation with the department of public health, of a phased-in program to provide a dental home for children.

5. Of the funds appropriated in this section, \$1,000,000 shall be used for the autism support program created in chapter 225D, with the exception of the following amounts of this allocation which shall be used as follows:

a. Of the funds allocated in this subsection, \$125,000 shall be deposited in the board-certified behavior analyst and board-certified assistant behavior analyst grants program fund created in section 135.181, as enacted in this Act, to be used for the purposes of the fund.

b. Of the funds allocated in this subsection, \$12,500 shall be used for the public purpose of continuation of a grant to a child welfare services provider headquartered in a county with a population between 205,000 and 215,000 in the latest certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming,

* Item veto; see message at end of the Act

and an Asperger’s syndrome program, to be used for support services for children with autism spectrum disorder and their families.

c. Of the funds allocated in this subsection, \$12,500 shall be used for the public purpose of continuing a grant to a hospital-based provider headquartered in a county with a population between 90,000 and 95,000 in the latest certified federal census that provides multiple services including but not limited to diagnostic, therapeutic, and behavioral services to individuals with autism spectrum disorder across one’s lifespan. The grant recipient shall utilize the funds to continue the pilot project to determine the necessary support services for children with autism spectrum disorder and their families to be included in the children’s disabilities services system. The grant recipient shall submit findings and recommendations based upon the results of the pilot project to the individuals specified in this division of this Act for submission of reports by December 31, 2015.

Sec. 134. STATE SUPPLEMENTARY ASSISTANCE.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

..... \$ 6,498,593

2. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

3. If during the fiscal year beginning July 1, 2016, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-through requirement specified in Tit. XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. §1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 135. CHILDREN’S HEALTH INSURANCE PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit. XXI of the federal Social Security Act, which creates the children’s health insurance program:

..... \$ 10,206,922

2. Of the funds appropriated in this section, \$21,400 is allocated for continuation of the contract for outreach with the department of public health.

Sec. 136. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 25,704,334

1. Of the funds appropriated in this section, \$21,844,620 shall be used for state child care assistance in accordance with section 237A.13.

2. Nothing in this section shall be construed or is intended as or shall imply a grant of entitlement for services to persons who are eligible for assistance due to an income level

consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, \$216,226 is allocated for the statewide grant program for child care resource and referral services under section 237A.26. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, \$468,487 is allocated for child care quality improvement initiatives including but not limited to the voluntary quality rating system in accordance with section 237A.30.

5. Of the funds appropriated in this section, \$3,175,000 shall be credited to the early childhood programs grants account in the early childhood Iowa fund created in section 256I.11. The moneys shall be distributed for funding of community-based early childhood programs targeted to children from birth through five years of age developed by early childhood Iowa areas in accordance with approved community plans as provided in section 256I.8.

6. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

7. A portion of the state match for the federal child care and development block grant shall be provided as necessary to meet federal matching funds requirements through the state general fund appropriation made for child development grants and other programs for at-risk children in section 279.51.

8. If a uniform reduction ordered by the governor under section 8.31 or other operation of law, transfer, or federal funding reduction reduces the appropriation made in this section for the fiscal year, the percentage reduction in the amount paid out to or on behalf of the families participating in the state child care assistance program shall be equal to or less than the percentage reduction made for any other purpose payable from the appropriation made in this section and the federal funding relating to it. The percentage reduction to the other allocations made in this section shall be the same as the uniform reduction ordered by the governor or the percentage change of the federal funding reduction, as applicable. If there is an unanticipated increase in federal funding provided for state child care assistance, the entire amount of the increase shall be used for state child care assistance payments. If the appropriations made for purposes of the state child care assistance program for the fiscal year are determined to be insufficient, it is the intent of the general assembly to appropriate sufficient funding for the fiscal year in order to avoid establishment of waiting list requirements.

9. Notwithstanding section 8.33, moneys advanced for purposes of the programs developed by early childhood Iowa areas, advanced for purposes of wraparound child care, or received from the federal appropriations made for the purposes of this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 137. JUVENILE INSTITUTION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the state training school at Eldora and for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,116,710
.....	FTEs	169.30

Of the funds appropriated in this subsection, \$45,575 shall be used for distribution to licensed classroom teachers at this and other institutions under the control of the department of human services based upon the average student yearly enrollment at each institution as determined by the department.

2. A portion of the moneys appropriated in this section shall be used by the state training school at Eldora for grants for adolescent pregnancy prevention activities at the institution in the fiscal year beginning July 1, 2016.

Sec. 138. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

.....	\$	42,670,969
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2. Up to \$2,600,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of juvenile delinquent graduated sanction services.

3. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program, state child care assistance program, or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

4. a. Of the funds appropriated in this section, up to \$17,910,893 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and services. If the department projects that such expenditures for the fiscal year will be less than the target amount allocated in this paragraph "a", the department may reallocate the excess to provide additional funding for shelter care or the child welfare emergency services addressed with the allocation for shelter care.

b. If at any time after September 30, 2016, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

5. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative during fiscal year 2016-2017. Of the funds appropriated in this section, \$858,876 is allocated specifically for expenditure for fiscal year 2016-2017 through the decategorization services funding pools and governance boards established pursuant to section 232.188.

6. A portion of the funds appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project or successor project to stay together or to be reunified.

7. Notwithstanding section 234.35 or any other provision of law to the contrary, state funding for shelter care and the child welfare emergency services contracting implemented to provide for or prevent the need for shelter care shall be limited to \$4,034,237.

8. Federal funds received by the state during the fiscal year beginning July 1, 2016, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

9. a. Of the funds appropriated in this section, up to \$1,645,000 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this paragraph "a", up to \$778,143 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than \$7,500 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

b. Of the funds appropriated in this section, up to \$374,492 is allocated for the payment of the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to section 232.141, subsection 4.

c. Notwithstanding section 232.141 or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department of human services' division of child and family services. The state court administrator and the division administrator shall make the determination of the distribution amounts on or before June 15, 2016.

d. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court or departmental service area distribution amounts to pay for the service. The chief juvenile court officer and the departmental service area manager shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers and departmental service area managers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator or division administrator to transfer funds between the judicial districts' or departmental service areas' distribution amounts as prudent.

e. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

f. Of the funds allocated in this subsection, not more than \$41,500 may be used by the judicial branch for administration of the requirements under this subsection.

g. Of the funds allocated in this subsection, \$8,500 shall be used by the department of human services to support the interstate commission for juveniles in accordance with the interstate compact for juveniles as provided in section 232.173.

10. Of the funds appropriated in this section, \$4,026,613 is allocated for juvenile delinquent graduated sanctions services. Any state funds saved as a result of efforts by juvenile court services to earn a federal Tit. IV-E match for juvenile court services administration may be used for the juvenile delinquent graduated sanctions services.

11. Of the funds appropriated in this section, \$804,142 is transferred to the department of public health to be used for the child protection center grant program for child protection centers located in Iowa in accordance with section 135.118. The grant amounts under the program shall be equalized so that each center receives a uniform base amount of \$122,500, and the remaining funds shall be awarded through a funding formula based upon the volume of children served.

12. If the department receives federal approval to implement a waiver under Tit. IV-E of the federal Social Security Act to enable providers to serve children who remain in the children's

families and communities, for purposes of eligibility under the medical assistance program through 25 years of age, children who participate in the waiver shall be considered to be placed in foster care.

13. Of the funds appropriated in this section, \$2,012,583 is allocated for the preparation for adult living program pursuant to section 234.46.

14. Of the funds appropriated in this section, \$113,668 shall be used for the public purpose of continuing a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments, and referrals for victims of child abuse and their nonoffending family members.

15. Of the funds appropriated in this section, \$150,310 is allocated for the foster care youth council approach of providing a support network to children placed in foster care.

16. Of the funds appropriated in this section, \$101,000 is allocated for use pursuant to section 235A.1 for continuation of the initiative to address child sexual abuse implemented pursuant to [2007 Iowa Acts, chapter 218, section 18, subsection 21](#).

17. Of the funds appropriated in this section, \$315,120 is allocated for the community partnership for child protection sites.

18. Of the funds appropriated in this section, \$185,625 is allocated for the department’s minority youth and family projects under the redesign of the child welfare system.

19. Of the funds appropriated in this section, \$593,297 is allocated for funding of the community circle of care collaboration for children and youth in northeast Iowa.

20. Of the funds appropriated in this section, at least \$73,579 shall be used for the continuation of the child welfare provider training academy, a collaboration between the coalition for family and children’s services in Iowa and the department.

21. Of the funds appropriated in this section, \$105,936 shall be used for continuation of the central Iowa system of care program grant through June 30, 2017.

22. Of the funds appropriated in this section, \$117,500 shall be used for the public purpose of the continuation and expansion of a system of care program grant implemented in Cerro Gordo and Linn counties to utilize a comprehensive and long-term approach for helping children and families by addressing the key areas in a child’s life of childhood basic needs, education and work, family, and community.

23. Of the funds appropriated in this section, at least \$12,500 shall be used to continue and to expand the foster care respite pilot program in which postsecondary students in social work and other human services-related programs receive experience by assisting family foster care providers with respite and other support.

24. Of the funds appropriated in this section, \$55,000 shall be used for the public purpose of funding community-based services and other supports with a system of care approach for children with a serious emotional disturbance and their families through a nonprofit provider of child welfare services that has been in existence for more than 115 years, is located in a county with a population of more than 200,000 but less than 220,000 according to the latest census information issued by the United States census bureau, is licensed as a psychiatric medical institution for children, and was a system of care grantee prior to July 1, 2016.

Sec. 139. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:
..... \$ 21,499,143

2. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for general administration for costs paid from the appropriation relating to adoption subsidy.

3. Federal funds received by the state during the fiscal year beginning July 1, 2016, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding

section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 140. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2016, and ending June 30, 2017, are appropriated to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, for distribution of an amount equal to a percentage of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2015. Moneys appropriated for distribution in accordance with this section shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2015. The percentage figure shall be determined by the department based on the amount available for distribution for the fund. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2016, shall be limited to the amount appropriated for the purposes of this section.

Sec. 141. FAMILY SUPPORT SUBSIDY PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program subject to the enrollment restrictions in section 225C.37, subsection 3:

..... \$ 536,966

2. The department shall use at least \$320,750 of the moneys appropriated in this section for the family support center component of the comprehensive family support program under section 225C.47. Not more than \$12,500 of the amount allocated in this subsection shall be used for administrative costs.

3. If at any time during the fiscal year, the amount of funding available for the family support subsidy program is reduced from the amount initially used to establish the figure for the number of family members for whom a subsidy is to be provided at any one time during the fiscal year, notwithstanding section 225C.38, subsection 2, the department shall revise the figure as necessary to conform to the amount of funding available.

Sec. 142. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

..... \$ 16,816

Sec. 143. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, to be used for the purposes designated which amounts shall not be transferred or expended for any purpose other than the purposes designated, notwithstanding section 218.6 to the contrary:

1. For operation of the state mental health institute at Cherokee as required by chapters 218 and 226 for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,772,808
..... FTEs 169.20

2. For operation of the state mental health institute at Independence as required by chapters 218 and 226 for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,162,104
.....	FTEs	233.00
<i>*3. For operation of the state mental health institute at Mount Pleasant as required by chapters 218 and 226, for purposes of providing adult psychiatric services including inpatient acute care, inpatient substance abuse treatment, and inpatient dual diagnosis substance use disorder and mental illness treatment, at the same level of care and treatment as provided on July 1, 2014, for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:</i>		
.....	\$	3,212,440
.....	FTEs	97.68*

Sec. 144. STATE RESOURCE CENTERS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	10,762,241
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b. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	7,291,903
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2. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of intermediate care facilities for persons with an intellectual disability services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

3. The state resource centers may expand the time-limited assessment and respite services during the fiscal year.

4. If the department’s administration and the department of management concur with a finding by a state resource center’s superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center’s superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

5. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and begin implementing the service or addressing the special need during fiscal year 2016-2017.

Sec. 145. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,946,539
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* Item veto; see message at end of the Act

..... FTEs 132.50

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 146. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 29,460,488
 FTEs 1,837.00

1. As a condition of this appropriation, the department shall make every possible effort to fill the entire number of positions authorized by this section and, unless specifically provided otherwise by an applicable collective bargaining agreement, the department is not subject to any approval requirement external to the department to fill a field operations vacancy within the number of full-time equivalent positions authorized by this section. The department shall report on the first of each month to the chairpersons and ranking members of the appropriations committees of the senate and house of representatives, and the persons designated by this Act for submission of reports concerning the status of filling the positions.

2. Priority in filling full-time equivalent positions shall be given to those positions related to child protection services and eligibility determination for low-income families.

Sec. 147. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 7,449,099
 FTEs 309.00

1. The department shall report at least monthly to the legislative services agency concerning the department's operational and program expenditures.

2. Of the funds appropriated in this section, \$75,000 shall be used to continue the contract for the provision of a program to provide technical assistance, support, and consultation to providers of habilitation services and home and community-based services waiver services for adults with disabilities under the medical assistance program.

3. Of the funds appropriated in this section, \$25,000 is transferred to the Iowa finance authority to be used for administrative support of the council on homelessness established in section 16.2D and for the council to fulfill its duties in addressing and reducing homelessness in the state.

4. Of the funds appropriated in this section, \$125,000 shall be transferred to and deposited in the administrative fund of the Iowa ABLE savings plan trust created in section 12I.4, if enacted in this or any other Act, to be used for implementation and administration activities of the Iowa ABLE savings plan trust.

Sec. 148. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:

* Item veto; see message at end of the Act

..... \$ 42,343

Sec. 149. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. (1) For the fiscal year beginning July 1, 2016, the total state funding amount for the nursing facility budget shall not exceed \$151,421,458.

(2) The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount for the fiscal year. Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c", and subsection 3, paragraph "a", subparagraph (2), if the state funding expenditures for the nursing facility budget for the fiscal year are projected to exceed the amount specified in subparagraph (1), the department shall adjust the reimbursement for nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount for the fiscal year.

(3) For the fiscal year beginning July 1, 2016, special population nursing facilities shall be reimbursed in accordance with the methodology in effect on June 30, 2016.

(4) For any open or unsettled nursing facility cost report for a fiscal year prior to and including the fiscal year beginning July 1, 2015, including any cost report remanded on judicial review for inclusion of prescription drug, laboratory, or x-ray costs, the department shall offset all reported prescription drug, laboratory, and x-ray costs with any revenue received from Medicare or other revenue source for any purpose. For purposes of this subparagraph, a nursing facility cost report is not considered open or unsettled if the facility did not initiate an administrative appeal under chapter 17A or if any appeal rights initiated have been exhausted.

b. (1) For the fiscal year beginning July 1, 2016, the department shall establish the pharmacy dispensing fee reimbursement at \$11.73 per prescription, until a cost of dispensing survey is completed. The actual dispensing fee shall be determined by a cost of dispensing survey performed by the department and required to be completed by all medical assistance program participating pharmacies every two years, adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(2) The department shall utilize an average acquisition cost reimbursement methodology for all drugs covered under the medical assistance program in accordance with 2012 Iowa Acts, chapter 1133, section 33.

(3) Notwithstanding subparagraph (2), if the centers for Medicare and Medicaid services of the United States department of health and human services (CMS) requires, as a condition of federal Medicaid funding, that the department implement an aggregate federal upper limit (FUL) for drug reimbursement based on the average manufacturer's price (AMP), the department may utilize a reimbursement methodology for all drugs covered under the Medicaid program based on the national average drug acquisition cost (NADAC) methodology published by CMS, in order to assure compliance with the aggregate FUL, minimize outcomes of drug reimbursements below pharmacy acquisition costs, limit administrative costs, and minimize any change in the aggregate reimbursement for drugs. The department may adopt emergency rules to implement this subparagraph.

c. (1) For the fiscal year beginning July 1, 2016, reimbursement rates for outpatient hospital services shall remain at the rates in effect on June 30, 2016, subject to Medicaid program upper payment limit rules, and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(2) For the fiscal year beginning July 1, 2016, reimbursement rates for inpatient hospital services shall remain at the rates in effect on June 30, 2016, subject to Medicaid program upper payment limit rules, and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(3) For the fiscal year beginning July 1, 2016, the graduate medical education and disproportionate share hospital fund shall remain at the amount in effect on June 30, 2016, except that the portion of the fund attributable to graduate medical education shall be reduced in an amount that reflects the elimination of graduate medical education payments made to out-of-state hospitals.

(4) In order to ensure the efficient use of limited state funds in procuring health care services for low-income Iowans, funds appropriated in this Act for hospital services shall not be used for activities which would be excluded from a determination of reasonable costs under the federal Medicare program pursuant to 42 U.S.C. §1395x(v)(1)(N).

d. For the fiscal year beginning July 1, 2016, reimbursement rates for rural health clinics, hospices, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. For the fiscal year beginning July 1, 2016, independent laboratories and rehabilitation agencies shall be reimbursed using the same methodology in effect on June 30, 2016.

f. (1) For the fiscal year beginning July 1, 2016, reimbursement rates for home health agencies shall continue to be based on the Medicare low utilization payment adjustment (LUPA) methodology with state geographic wage adjustments, and updated to reflect the most recent Medicare LUPA rates.

(2) For the fiscal year beginning July 1, 2016, rates for private duty nursing and personal care services under the early and periodic screening, diagnostic, and treatment program benefit shall be calculated based on the methodology in effect on June 30, 2016.

g. For the fiscal year beginning July 1, 2016, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

h. For the fiscal year beginning July 1, 2016, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2016.

i. (1) For the fiscal year beginning July 1, 2016, state-owned psychiatric medical institutions for children shall receive cost-based reimbursement for 100 percent of the actual and allowable costs for the provision of services to recipients of medical assistance.

(2) For the nonstate-owned psychiatric medical institutions for children, reimbursement rates shall be based on the reimbursement methodology developed by the Medicaid managed care contractor for behavioral health services as required for federal compliance.

(3) As a condition of participation in the medical assistance program, enrolled providers shall accept the medical assistance reimbursement rate for any covered goods or services provided to recipients of medical assistance who are children under the custody of a psychiatric medical institution for children.

j. For the fiscal year beginning July 1, 2016, unless otherwise specified in this Act, all noninstitutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2016, except for area education agencies, local education agencies, infant and toddler services providers, home and community-based services providers including consumer-directed attendant care providers under a section 1915(c) or 1915(i) waiver, targeted case management providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding any provision to the contrary, for the fiscal year beginning July 1, 2016, the reimbursement rate for anesthesiologists shall remain at the rate in effect on June 30, 2016.

l. Notwithstanding section 249A.20, for the fiscal year beginning July 1, 2016, the average reimbursement rate for health care providers eligible for use of the federal Medicare resource-based relative value scale reimbursement methodology under section 249A.20 shall remain at the rate in effect on June 30, 2016; however, this rate shall not exceed the maximum level authorized by the federal government.

m. For the fiscal year beginning July 1, 2016, the reimbursement rate for residential care facilities shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement. The flat reimbursement rate for facilities electing not to file annual cost reports shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

n. For the fiscal year beginning July 1, 2016, the reimbursement rates for inpatient mental health services provided at hospitals shall remain at the rates in effect on June 30, 2016, subject to Medicaid program upper payment limit rules; and psychiatrists shall be reimbursed at the medical assistance program fee-for-service rate in effect on June 30, 2016.

o. For the fiscal year beginning July 1, 2016, community mental health centers may choose to be reimbursed for the services provided to recipients of medical assistance through either of the following options:

(1) For 100 percent of the reasonable costs of the services.

(2) In accordance with the alternative reimbursement rate methodology established by the medical assistance program's managed care contractor for mental health services and approved by the department of human services.

p. For the fiscal year beginning July 1, 2016, the reimbursement rate for providers of family planning services that are eligible to receive a 90 percent federal match shall remain at the rates in effect on June 30, 2016.

q. For the fiscal year beginning July 1, 2016, the upper limits on reimbursement rates for providers of home and community-based services waiver services shall remain at the limits in effect on June 30, 2016.

r. For the fiscal year beginning July 1, 2016, the reimbursement rates for emergency medical service providers shall remain at the rates in effect on June 30, 2016.

s. For the fiscal year beginning July 1, 2016, reimbursement rates for substance-related disorder treatment programs licensed under section 125.13 shall remain at the rates in effect on June 30, 2016.

2. For the fiscal year beginning July 1, 2016, the reimbursement rate for providers reimbursed under the in-home-related care program shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

3. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2002.

4. For the fiscal year beginning July 1, 2016, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$16.78, the rate for children ages 6 through 11 years shall be \$17.45, the rate for children ages 12 through 15 years shall be \$19.10, and the rate for children and young adults ages 16 and older shall be \$19.35. For youth ages 18 to 21 who have exited foster care, the preparation for adult living program maintenance rate shall be \$602.70 per month. The maximum payment for adoption subsidy nonrecurring expenses shall be limited to \$500 and the disallowance of additional amounts for court costs and other related legal expenses implemented pursuant to [2010 Iowa Acts, chapter 1031, section 408](#), shall be continued.

5. For the fiscal year beginning July 1, 2016, the maximum reimbursement rates for social services providers under contract shall remain at the rates in effect on June 30, 2016, or the provider's actual and allowable cost plus inflation for each service, whichever is less. However, if a new service or service provider is added after June 30, 2016, the initial reimbursement rate for the service or provider shall be based upon a weighted average of provider rates for similar services.

6. For the fiscal year beginning July 1, 2016, the reimbursement rates for resource family recruitment and retention contractors, child welfare emergency services contractors, and supervised apartment living foster care providers shall remain at the rates in effect on June 30, 2016.

7. a. For the purposes of this subsection, "combined reimbursement rate" means the combined service and maintenance reimbursement rate for a service level under the department's reimbursement methodology. Effective July 1, 2016, the combined reimbursement rate for a group foster care service level shall be the amount designated in this subsection. However, if a group foster care provider's reimbursement rate for a service

* Item veto; see message at end of the Act

level as of June 30, 2016, is more than the rate designated in this subsection, the provider's reimbursement shall remain at the higher rate.

b. Unless a group foster care provider is subject to the exception provided in paragraph "a", effective July 1, 2016, the combined reimbursement rates for the service levels under the department's reimbursement methodology shall be as follows:

- (1) For service level, community - D1, the daily rate shall be at least \$84.17.
- (2) For service level, comprehensive - D2, the daily rate shall be at least \$119.09.
- (3) For service level, enhanced - D3, the daily rate shall be at least \$131.09.

8. The group foster care reimbursement rates paid for placement of children out of state shall be calculated according to the same rate-setting principles as those used for in-state providers, unless the director of human services or the director's designee determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

9. a. For the fiscal year beginning July 1, 2016, the reimbursement rate paid for shelter care and the child welfare emergency services implemented to provide or prevent the need for shelter care shall be established by contract.

b. For the fiscal year beginning July 1, 2016, the combined service and maintenance components of the reimbursement rate paid for shelter care services shall be based on the financial and statistical report submitted to the department. The maximum reimbursement rate shall be \$101.83 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

c. Notwithstanding section 232.141, subsection 8, for the fiscal year beginning July 1, 2016, the amount of the statewide average of the actual and allowable rates for reimbursement of juvenile shelter care homes that is utilized for the limitation on recovery of unpaid costs shall remain at the amount in effect for this purpose in the fiscal year beginning July 1, 2015.

10. For the fiscal year beginning July 1, 2016, the department shall calculate reimbursement rates for intermediate care facilities for persons with an intellectual disability at the 80th percentile. Beginning July 1, 2016, the rate calculation methodology shall utilize the consumer price index inflation factor applicable to the fiscal year beginning July 1, 2016.

11. For the fiscal year beginning July 1, 2016, for child care providers reimbursed under the state child care assistance program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 2004. Effective July 1, 2016, the child care provider reimbursement rates shall remain at the rates in effect on June 30, 2016. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered by applying the increase only to registered and licensed providers.

**12. For the fiscal year beginning July 1, 2016, if the centers for Medicare and Medicaid services of the United States department of health and human services approves the waivers necessary to implement medical assistance program managed care applicable to any providers or services subject to reimbursement under this section, notwithstanding any provision to the contrary under this section, affected providers or services shall instead be reimbursed as follows:*

a. For fee-for-service claims, reimbursement shall be calculated based on the methodology otherwise specified in this section for the fiscal year beginning July 1, 2016, for the respective provider or service.

*b. For claims subject to a managed care contract, reimbursement shall be based on the methodology established by the managed care organization contract. However, any reimbursement established under such contract shall not be lower than the reimbursement otherwise specified in this section for the fiscal year beginning July 1, 2016, for the respective provider or service.**

13. The department may adopt emergency rules to implement this section.

Sec. 150. EMERGENCY RULES.

* Item veto; see message at end of the Act

1. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health and disability services commission may adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph “b”, to implement the provisions of this division of this Act and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date of the rules is delayed or the applicability of the rules is suspended by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 7, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph “b”. Any rules adopted in accordance with the provisions of this section shall also be published as a notice of intended action as provided in section 17A.4.

2. If during a fiscal year, the department of human services is adopting rules in accordance with this section or as otherwise directed or authorized by state law, and the rules will result in an expenditure increase beyond the amount anticipated in the budget process or if the expenditure was not addressed in the budget process for the fiscal year, the department shall notify the persons designated by this division of this Act for submission of reports, the chairpersons and ranking members of the committees on appropriations, and the department of management concerning the rules and the expenditure increase. The notification shall be provided at least 30 calendar days prior to the date notice of the rules is submitted to the administrative rules coordinator and the administrative code editor.

Sec. 151. REPORTS. Any reports or other information required to be compiled and submitted under this Act during the fiscal year beginning July 1, 2016, shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

DIVISION XLII
HEALTH CARE ACCOUNTS AND FUNDS — FY 2016-2017

Sec. 152. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriations made in this Act for medical contracts under the medical assistance program for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

..... \$ 1,001,088

Sec. 153. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance for the same fiscal year:

..... \$ 18,602,604

Sec. 154. HOSPITAL HEALTH CARE ACCESS TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the hospital health care access trust fund created in section 249M.4 to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amounts, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance for the same fiscal year:
 \$ 17,350,000

Sec. 155. MEDICAL ASSISTANCE PROGRAM — NONREVERSION FOR FY 2016-2017. Notwithstanding section 8.33, if moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2016, and ending June 30, 2017, from the general fund of the state, the quality assurance trust fund and the hospital health care access trust fund, are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall remain available for expenditure for the purposes of the medical assistance program until the close of the succeeding fiscal year.

DIVISION XLIII
 REFUGEE FAMILY SUPPORT SERVICES PILOT PROGRAM

**Sec. 156. REFUGEE FAMILY SUPPORT SERVICES PILOT PROGRAM APPROPRIATION — FY 2016-2017. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following amount, or so much thereof as is necessary, to be used for the purposes designated:*

For continuation of a pilot project pursuant to the refugee family support services pilot project program created in this 2015 Act in a county with a population over 350,000 as determined by the 2010 federal decennial census:

..... \$ 50,000

The amount appropriated under this section shall not be reduced for administrative or other costs prior to distribution.

*Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.**

Sec. 157. PROPERTY TAX RELIEF FUND BLOCK GRANT MONEYS. The moneys transferred to the property tax relief fund for the fiscal year beginning July 1, 2015, from the federal social services block grant pursuant to 2015 Iowa Acts, House File 630,⁶ and from the federal temporary assistance for needy families block grant, totaling at least \$11,774,275, are appropriated to the department of human services for the fiscal year beginning July 1, 2015, and ending June 30, 2016,⁷ to be used for the purposes designated, notwithstanding any provision of law to the contrary:

1. For distribution to any mental health and disability services region where 25 percent of the region's projected expenditures exceeds the region's projected fund balance:

..... \$ 480,000

a. For purposes of this subsection:

(1) "Available funds" means a county mental health and services fund balance on June 30, 2015, plus the maximum amount a county was allowed to levy for the fiscal year beginning July 1, 2015.

(2) "Projected expenditures" means the actual expenditures of a mental health and disability services region as of June 30, 2015, multiplied by an annual inflation rate of 2 percent plus the projected costs for new core services administered by the region as provided in a region's regional service system management plan approved pursuant to section 331.393 for the fiscal year beginning July 1, 2015.

(3) "Projected fund balance" means the difference between a mental health and disability services region's available funds and projected expenditures.

^{*} Item veto; see message at end of the Act

⁶ Chapter 130 herein

⁷ According to enrolled Act; the phrase "beginning July 1, 2016, and ending June 30, 2017," probably intended

b. If sufficient funds are not available to implement this subsection, the department of human services shall distribute funds to a region in proportion to the availability of funds.

2. To be transferred to the appropriation in this Act for child and family services for the fiscal year beginning July 1, 2016, to be used for the purpose of that appropriation:

..... \$ 5,407,137

DIVISION XLIV
PERSONNEL SETTLEMENT AGREEMENT PAYMENTS

Sec. 158. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As a condition of the appropriations in this Act, the moneys appropriated and any other moneys available shall not be used for payment of a personnel settlement agreement that contains a confidentiality provision intended to prevent public disclosure of the agreement or any terms of the agreement.

DIVISION XLV
CLARINDA STATE MENTAL HEALTH INSTITUTE — PRIVATE PROVIDER — SHARED SERVICES

*Sec. 159. CLARINDA — PRIVATE PROVIDER.

1. Within 30 days of the effective date of an appropriation to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, for operation of the state mental health institute at Clarinda in the fiscal year beginning July 1, 2015, the department of human services shall issue a request for proposals for the purpose of entering into a contract to engage an in-state private nursing home provider to provide care and treatment for adult persons who are sexually aggressive or combative due to a mental illness or who have unmet geropsychiatric needs, beginning December 16, 2015, at the state mental health institute at Clarinda. The request for proposals shall specify that the provider shall have an authorized bed capacity of not fewer than 15 beds.

2. The contract executed by the department of human services with the private provider of geropsychiatric care and treatment after December 15, 2015, at the state mental health institute at Clarinda shall require the private provider to give preference in employment to qualified former employees providing such care and treatment at the state mental health institute at Clarinda between January 1 and December 15, 2015.*

CLARINDA — SHARED SERVICES — 2015-2016 FISCAL YEAR

Sec. 160. 2015 Iowa Acts, Senate File 497,⁸ section 3, subsection 1, paragraph g, if enacted, is amended to read as follows:

g. For the operation of the Clarinda correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 25,933,430

Moneys received by the department of corrections as reimbursement for services provided to ~~the Clarinda youth corporation~~ any private provider contracting with the department of human services or the department of corrections are appropriated to the department of corrections and shall be used for the purpose of operating the Clarinda correctional facility.

CLARINDA — SHARED SERVICES — 2016-2017 FISCAL YEAR

Sec. 161. 2015 Iowa Acts, Senate File 497,⁹ section 25, subsection 1, paragraph g, if enacted, is amended to read as follows:

g. For the operation of the Clarinda correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 12,966,715

* Item veto; see message at end of the Act

⁸ Chapter 135 herein

⁹ Chapter 135 herein

Moneys received by the department of corrections as reimbursement for services provided to the Clarinda youth corporation any private provider contracting with the department of human services or the department of corrections are appropriated to the department of corrections and shall be used for the purpose of operating the Clarinda correctional facility.

DIVISION XLVI
CONDITIONAL EFFECTIVE DATE AND
RETROACTIVE APPLICABILITY PROVISIONS

Sec. 162. EFFECTIVE UPON ENACTMENT. Unless otherwise provided, this Act, if approved by the governor on or after July 1, 2015, takes effect upon enactment.

Sec. 163. RETROACTIVE APPLICABILITY. Unless otherwise provided, this Act, if approved by the governor on or after July 1, 2015, applies retroactively to July 1, 2015.

Approved July 2, 2015, with exceptions noted.

TERRY E. BRANSTAD, Governor

Dear Mr. Secretary:

I hereby transmit Senate File 505, an Act relating to appropriations for health and human services and veterans and including other related provisions and appropriations, and including effective date and retroactive and other applicability date provisions.

Senate File 505 as passed by the Iowa Legislature gives counties the ability to increase property taxes, enlarges entitlement programs and fails to take critical steps in modernizing Iowa's mental health system. It is even more concerning to me and to the thousands of Iowans who depend on Medicaid that it appears the Iowa Legislature may have underfunded Medicaid. The budget I proposed in January 2015 fully funded Medicaid. We have embarked on efforts to modernize our administration of Medicaid. It is my hope that these efforts will not only improve the quality of health care outcomes our Medicaid patients receive but also provide much needed budget predictability and stability for taxpayers who make the program possible.

Senate File 505 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 3, subsection 4, lettered paragraph g, subparagraph b. This item requires the Department of Public Health to distribute funding for care coordination efforts. I strongly support the modernization and increased coordination of health care for Iowans served by our safety net. However, due to federal approval of the Iowa State Innovation Model grant funding, this state funding is redundant and not needed at this time.

I am unable to approve the designated portion of the item designated as Section 4, subsection 2, lettered paragraph b. This item restricts contracting flexibility at the Iowa Veterans Home. Such restrictions are unnecessary and counterproductive. The Department of Administrative Services must have flexibility in procuring the best services for veterans at the Iowa Veterans Home at the most cost effective price for taxpayers.

I am unable to approve the designated portion of the item designated as Section 4, subsection 2, lettered paragraph d. This item creates a redundant, overly burdensome mandate requiring the Iowa Veterans Home to make expenditure reports monthly to the Legislative Services Agency for fiscal year 2015. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 12, subsection 17, lettered paragraph c. This item restricts the Department of Human Services from implementing certain cost containment strategies. The Department must have the tools and flexibility to effectively manage a program so critically important to so many vulnerable Iowans. Such a restriction on the management and oversight authority of the Department of Human Services while facing a potentially underfunded Medicaid budget is inappropriate.

I am unable to approve the designated portion of the item designated as Section 12, subsection 17, lettered paragraph d. This item requires the Department of Human Services to report on cost containment strategies. The Department of Human Services, Department of Management and the Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 12, subsection 20. This item requires the Department of Human Services to execute the State Innovation Model grant. Additionally, this item requires the Department of Human Services to submit a report on the progress of the grant by September 1, 2015. The State is already implementing the State Innovation Model grant. The information requested to be reported is also not necessary due to the fact that this information is available upon request by the General Assembly.

I am unable to approve the designated portion of the item designated as Section 12, subsection 25. This item restricts Medicaid waiver management flexibility for the Department of Human Services. The Department must have the tools and flexibility to effectively manage a program so critically important to so many vulnerable Iowans. Such a restriction on the management and oversight authority of the Department of Human Services while facing a potentially underfunded Medicaid budget is inappropriate.

I am unable to approve the designated portion of the item designated as Section 23, subsection 3. Today, more Iowans than ever before have access to mental health treatment. Through the bi-partisan Mental Health Redesign signed into law in 2012, Iowans are accessing care locally through mental health regions. The mental health regions are investing substantial resources into increased access to home and community based substance abuse and mental health services. In the 1800s, Iowa opened four mental health institutions. At their peak, they served more than 6,600 people on any given day combined. However, modern mental health care has come a long way and best practices rightfully no longer include the warehousing of mental health patients. In fact, the average daily bed census at the Mount Pleasant Mental Health Institute over the past four years is only 61 patients. In fiscal year 2014, this came at the high cost to state taxpayers of \$126,791 per patient. These resources can best be used to provide better, more modern mental health services to more Iowans. Other states have already gone down this path by closing their outdated institutions and offering innovative mental healthcare options. Minnesota once operated eleven mental health institutes. Today they operate one. Wisconsin operates two. Over the past 18 years, states adjacent to Iowa have closed 13 institutes like Mount Pleasant and Clarinda (Illinois closed four state psychiatric hospitals, Minnesota closed four, Missouri closed three, and Nebraska closed two). Like Iowa, these neighboring states have modernized their mental health systems and reduced their use of institutionalization. In 2009, a Department of Human Services report and Governor Culver recommended closure of the Mount Pleasant Mental Health Institute. The Legislature has taken the first steps and closed the Clarinda Mental Health Institute. We can keep moving forward and serve Iowans with two mental health institutions rather than four. Therefore, in keeping with modern best practices and the utilization of our system, it is not in the best interests of our patients, the taxpayers or the mental health system to continue operating an aging, antiquated mental health institution lacking key clinical staff, particularly a psychiatrist.

I am unable to approve the designated portion of the item designated as Section 26, subsection 1. This item prohibits external approvals that are designed to ensure budget integrity, stability and predictability. Management must have the ability and flexibility to allocate resources where they are most effective and needed. In addition, this item creates a redundant, overly burdensome mandate requiring the department to report to the chairpersons and ranking members of the appropriations committees on a monthly basis. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 27, subsection 2. This item requires the Department of Human Services to report operational and program expenditures at least monthly to the Legislative Services Agency. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 29, subsection 1, lettered paragraph s. This item requires the substance abuse managed care plan to increase reimbursement for licensed substance-related disorder treatment programs serving Medicaid patients. To help improve patient outcomes while also bringing predictability and stability for taxpayers funding Medicaid, the Department of Human Services is modernizing Medicaid in Iowa and partnering with modern, patient-centered health plans. With this modernization effort in mind, we must be prudent with any increases for providers. Substance abuse providers received a reimbursement increase two years ago and are benefitting from the Iowa Health and Wellness Plan substance abuse coverage. With that in mind, a rate increase is not prudent at this time.

I am unable to approve the designated portion of the item designated as Section 29, subsection 12. Iowa has embarked on efforts to modernize its administration of Medicaid by partnering with specialized, patient-centered health care plans. This bi-partisan initiative is currently in procurement. This item creates restrictions on the reimbursement methods of the health care plans partnering with the state. The Request for Proposals issued by the Department of Human Services already includes protections for providers and their reimbursement. The restrictions in this item are, therefore, redundant and unneeded at this time.

I am unable to approve of the item designated as Section 67 in its entirety. This item creates a process for assessing the level of care needed for Medicaid patients. Iowa is embarking on an initiative to modernize our administration of Medicaid by partnering with high quality, patient centered health plans. As part of that initiative, these plans will oversee level of care assessments. Therefore, this item would create a redundant assessment system that is best left to our health plan partners.

I am unable to approve of the item designated as Division XVI in its entirety. This item further enlarges the taxpayer-funded child care assistance program. We must support working families. More Iowans are working than ever before and our families are seeing their incomes rise. Enlarging government programs that only further perpetuate the cliff effect felt by these families when their incomes rise and benefits are lost is not the right policy for Iowa. Additionally, with the federal and state updates already in motion, this enlargement is not recommended by the Department of Human Services at this time.

I am unable to approve of the item designated as Division XXX in its entirety. This item creates a Polk County-centered pilot project for refugee services. Iowans have a proud history of working in public-private partnerships to support refugees coming to our state. However, the path refugees take to Iowa has changed over time. More time is needed to study a state-wide solution for refugees and immigrants who originally went to other states and how Iowa, both publicly and privately, can best meet the needs of modern refugees

I am unable to approve of Division XXXII in its entirety. This item amends the Quality Assurance Assessment already found in Iowa Code by establishing a set three percent assessment on nursing facilities in Iowa. The assessment currently in Iowa Code is meeting the needs of our patients, nursing facility providers and the Medicaid program and a change is inappropriate at this time.

I am unable to approve the designated portion of the item designated as Section 123, subsection 4, lettered paragraph g, subparagraph b. This item requires the Department of Public Health to distribute funding for care coordination efforts. I strongly support the modernization and increased coordination of health care for Iowans served by our safety net. However, due to federal approval of the Iowa State Innovation Model grant funding, this state funding is redundant and not needed at this time.

I am unable to approve the designated portion of the item designated as section 124, subsection 2, lettered paragraph b. This item restricts contracting flexibility at the Iowa Veterans Home. Such restrictions are unnecessary and counterproductive. The Department of Administrative Services must have flexibility in procuring the best services for veterans at the Iowa Veterans Home at the most cost effective price for taxpayers.

I am unable to approve the designated portion of the item designated as Section 124, subsection 2, lettered paragraph d. This item creates a redundant, overly burdensome mandate requiring the Iowa Veterans Home to make expenditure reports monthly to the Legislative Services Agency for fiscal year 2016. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 132, subsection 17, lettered paragraph c. This item restricts the Department of Human Services from implementing certain cost containment strategies. The Department must have the tools and flexibility to effectively manage a program so critically important to so many vulnerable Iowans. Such a restriction on the management and oversight authority of the Department of Human Services while facing a potentially underfunded Medicaid budget is inappropriate.

I am unable to approve the designated portion of the item designated as Section 132, subsection 17, lettered paragraph d. This item requires the Department of Human Services to report on cost containment strategies. The Department of Human Services, the Department of Management and the Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 132, subsection 22. This item restricts Medicaid waiver management flexibility for the Department of Human Services. The Department must have the tools and flexibility to effectively manage a program so critically important to so many vulnerable Iowans. Such a restriction on the management and oversight authority of the Department of Human Services while facing a potentially underfunded Medicaid budget is inappropriate.

I am unable to approve the designated portion of the item designated as Section 143, subsection 3. Today, more Iowans than ever before have access to mental health treatment. Through the bi-partisan Mental Health Redesign signed into law in 2012, Iowans are accessing care locally through mental health regions. The mental health regions are investing substantial resources into increased access to home and community based substance abuse and mental health services. In the 1800s, Iowa opened four mental health institutions. At their peak, they served more than 6,600 people on any given day combined. However, modern mental health care has come a long way and best practices rightfully no longer include the warehousing of mental health patients. In fact, the average daily bed

census at the Mount Pleasant Mental Health Institute over the past four years is only 61 patients. In fiscal year 2014, this came at the high cost to state taxpayers of \$126,791 per patient. These resources can best be used to provide better, more modern mental health services to more Iowans. Other states have already gone down this path by closing their outdated institutions and offering innovative mental healthcare options. Minnesota once operated eleven mental health institutes. Today they operate one. Wisconsin operates two. Over the past 18 years, states adjacent to Iowa have closed 13 institutes like Mount Pleasant and Clarinda (Illinois closed four state psychiatric hospitals, Minnesota closed four, Missouri closed three, and Nebraska closed two). Like Iowa, these neighboring states have modernized their mental health systems and reduced their use of institutionalization. In 2009, a Department of Human Services report and Governor Culver recommended closure of the Mount Pleasant Mental Health Institute. The Legislature has taken the first steps and closed the Clarinda Mental Health Institute. We can keep moving forward and serve Iowans with two mental health institutions rather than four. Therefore, in keeping with modern best practices and the utilization of our system, it is not in the best interests of our patients, the taxpayers or the mental health system to continue operating an aging, antiquated mental health institution lacking key clinical staff, particularly a psychiatrist.

I am unable to approve the designated portion of the item designated as Section 146, subsection 1. This item prohibits external approvals that are designed to ensure budget integrity, stability and predictability. Management must have the ability and flexibility to allocate resources where they are most effective and needed. In addition, this item creates a redundant, overly burdensome mandate requiring the department to report to the chairpersons and ranking members of the appropriations committees on a monthly basis. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems

I am unable to approve the designated portion of the item designated as Section 147, subsection 1. This item requires the Department of Human Services to report operational and program expenditures at least monthly to the Legislative Services Agency. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 149, subsection 1, lettered paragraph s. This item requires the substance abuse managed care plan to increase reimbursement for licensed substance-related disorder treatment programs serving Medicaid patients. To help improve patient outcomes while also bringing predictability and stability for taxpayers funding Medicaid, the Department of Human Services is modernizing Medicaid in Iowa and partnering with modern, patient-centered health plans. With this modernization effort in mind, we must be prudent with any increases for providers. Substance abuse providers received a reimbursement increase two years ago and are benefitting from the Iowa Health and Wellness Plan substance abuse coverage. With that in mind, a rate increase is not prudent at this time.

I am unable to approve the designated portion of the item designated as Section 149, subsection 12. Iowa has embarked on efforts to modernize its administration of Medicaid by partnering with specialized, patient-centered health care plans. This bi-partisan initiative is currently in procurement. This item creates restrictions on the reimbursement methods of the health care plans partnering with the state. The Request for Proposals issued by the Department of Human Services already includes protections for providers and their reimbursement. The restrictions in this item are, therefore, redundant and unneeded at this time.

I am unable to approve of the item designated as Section 156 in its entirety. This item creates a Polk County-centered pilot project for refugee services. Iowans have a proud history of working in public-private partnerships to support refugees coming to our state. However, the

path refugees take to Iowa has changed over time. More time is needed to study a state-wide solution for refugees and immigrants who originally went to other states and how Iowa, both publicly and privately, can best meet the needs of modern refugees.

I am unable to approve of the item designated as Section 159 in its entirety. This item calls for Iowa, after closure of the Clarinda Mental Health Institute by the Iowa Legislature, to request proposals to operate a private, specialized nursing facility on the grounds at Clarinda. As I stated above, more Iowans are receiving mental health care than ever before. And increasingly, they are receiving it locally through mental health regions throughout our state. This holds true for adult in-patient psychiatry as well as geriatric psychiatric patients. Geriatric psychiatric patients are best served in nursing facilities with special services rather than being warehoused in costly and outmoded 19th century mental health institutes. Facilities exist today to provide these services, delivering higher quality for patients at lower costs to taxpayers. The Department of Human Services recommends allowing our mental health system to continue moving forward and giving facilities the flexibility to develop their own settings for care rather than restricting them to the campus at Clarinda. In Southwest Iowa, mental health regions are on track to open residential and community crisis services as well as jail diversion services. However, I recognize the importance of the Clarinda and Mount Pleasant facilities to their communities. It is important to note that the prisons located at Mount Pleasant and Clarinda will continue in full operation. Additionally, Clarinda will continue hosting the Clarinda Youth Academy and private substance abuse services on the campus without interruption. I am committed to working with these communities to repurpose and redevelop the campuses formerly occupied by the mental health institutes. To that end, I am convening a workgroup consisting of members from the Iowa Economic Development Authority, the Department of Corrections (who control the campuses), and the Department of Human Services to work with communities and allow for the easiest most efficient transition of the campuses into new development and jobs.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 505 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*